

**Fifty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 9, 2001**

HOUSE BILL NO. 1012
(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the department of human services; to provide for the transfer of appropriation authority between agencies and institutions; to provide for legislative council studies; to provide an exception to section 54-44.1-06 of the North Dakota Century Code, relating to the preparation of the department of human services appropriations bill for the 2003-05 biennium; to provide statements of legislative intent; to provide an exception to section 54-16-04 of the North Dakota Century Code, relating to emergency commission approval for line item transfers; to provide for basic care facility rates; to create and enact a new subsection to section 50-10-06 of the North Dakota Century Code, relating to eligibility for children's special health services; to amend and reenact subsection 2 of section 25-02-01.1, subsection 3 of section 50-01.2-03.2, and section 50-09-06.1 of the North Dakota Century Code, relating to compensation for members of the state hospital governing body, county reimbursements, and assignment of support rights; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of human services and its various divisions, for the purpose of defraying their expenses, for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

Subdivision 1.

MANAGEMENT

Salaries and wages	\$11,810,001
Operating expenses	34,511,962
Equipment	1,185,704
Capital improvements	1,308
Loan fund - DD	<u>2,261,556</u>
Total all funds	\$49,770,531
Less estimated income	<u>31,715,182</u>
Total general fund appropriation	\$18,055,349

Subdivision 2.

ECONOMIC ASSISTANCE

Salaries and wages	\$11,679,203
Operating expenses	17,297,140
Equipment	17,950
Capital improvements	2,543
Grants - assistance payments	126,393,606
Grants - medical assistance	<u>736,187,339</u>
Total all funds	\$891,577,781
Less estimated income	<u>678,799,617</u>
Total general fund appropriation	\$212,778,164

Subdivision 3.

PROGRAM AND POLICY

Salaries and wages	\$9,650,689
Operating expenses	11,388,152
Equipment	53,728
Capital improvements	789
Grants	<u>132,341,763</u>
Total all funds	\$153,435,121
Less estimated income	<u>123,325,366</u>
Total general fund appropriation	\$30,109,755

Subdivision 4.

NORTHWEST HUMAN SERVICE CENTER

Total all funds	\$8,157,433
Less estimated income	<u>4,083,037</u>
Total general fund appropriation	\$4,074,396

NORTH CENTRAL HUMAN SERVICE CENTER

Total all funds	\$14,201,485
Less estimated income	<u>5,797,056</u>
Total general fund appropriation	\$8,404,429

LAKE REGION HUMAN SERVICE CENTER

Total all funds	\$8,122,652
Less estimated income	<u>3,598,587</u>
Total general fund appropriation	\$4,524,065

NORTHEAST HUMAN SERVICE CENTER

Total all funds	\$18,677,059
Less estimated income	<u>11,195,028</u>
Total general fund appropriation	\$7,482,031

SOUTHEAST HUMAN SERVICE CENTER

Capital improvements	\$573,124
Human service center operations	<u>19,640,332</u>
Total all funds	\$20,213,456
Less estimated income	<u>11,119,701</u>
Total general fund appropriation	\$9,093,755

SOUTH CENTRAL HUMAN SERVICE CENTER

Total all funds	\$11,128,925
Less estimated income	<u>5,466,466</u>
Total general fund appropriation	\$5,662,459

WEST CENTRAL HUMAN SERVICE CENTER

Total all funds	\$18,616,938
Less estimated income	<u>10,452,773</u>
Total general fund appropriation	\$8,164,165

BADLANDS HUMAN SERVICE CENTER

Total all funds	\$9,535,626
Less estimated income	<u>5,127,922</u>
Total general fund appropriation	\$4,407,704

STATE HOSPITAL

Capital improvements	\$970,176
Operations	<u>50,154,275</u>
Total all funds	\$51,124,451
Less estimated income	<u>17,961,143</u>
Total general fund appropriation	\$33,163,308

DEVELOPMENTAL CENTER

Capital improvements	\$864,363
Operations	<u>39,823,524</u>
Total all funds	\$40,687,887
Less estimated income	<u>30,020,107</u>
Total general fund appropriation	\$10,667,780

Total all funds - subdivision 4	\$200,465,912
Total estimated income - subdivision 4	\$104,821,820
Total general fund appropriation - subdivision 4	\$95,644,092
Grand total general fund appropriation H.B. 1012	\$356,587,360
Grand total special fund appropriation H.B. 1012	\$938,661,985
Grand total all funds H.B. 1012	\$1,295,249,345

SECTION 2. LANDS AND MINERALS TRUST FUND. The amount of \$2,261,556, or so much of the sum as may be necessary, as appropriated in the developmentally disabled facility loan fund line item in section 1 of this Act, may be expended by the department of human services from the lands and minerals trust fund for the purpose of making payments of principal and interest to the common schools trust fund on any loans made from it pursuant to the developmentally disabled loan fund program nos. 2 and 3 for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 3. DEVELOPMENTAL DISABILITIES REVOLVING LOAN FUND. There may be expended by the department of human services, on or before June 1, 2003, from the cash balance of, any payments deposited in, the revolving loan fund created under section 6-09.6-01, the sum of \$871,765, or so much of the sum as may be necessary, which is appropriated in section 1 of this Act.

SECTION 4. TRANSFER. Subject to the provisions of chapter 54-16, the director of the department of human services may transfer appropriation authority between agencies and institutions included in subdivisions 1 through 4 of section 1 of this Act.

SECTION 5. CORRELATION OF RESOURCES FOR DEPARTMENTAL CLIENTS. Notwithstanding section 4 of this Act, the director of the department of human services may transfer appropriation authority and authorized positions between agencies and institutions included within subdivision 4 of section 1 of this Act to correlate fiscal and staff resources with the flow of institutional residents and human service center clients between community-based programs and institutions. The transfers from human service centers require prior consultation with the regional human service center advisory boards.

SECTION 6. ALCOHOL AND DRUG EDUCATION PROGRAM - EXPENDITURE - LIMITATIONS. The moneys appropriated in the grants line item in subdivision 3 of section 1 of this Act for the native American alcohol and drug abuse education program may not be spent for the services provided by the tribes to administer the program. The local grant recipient is required to provide matching equal to the grant amount with funding or in-kind service.

SECTION 7. DEPARTMENT OF HUMAN SERVICES - FUNDING OR EMPLOYEE TRANSFERS - REPORT TO FIFTY-EIGHTH LEGISLATIVE ASSEMBLY. The department of human services shall prepare and present a report to the appropriations committees of the fifty-eighth legislative assembly on any transfers of funding or employee full-time equivalent positions made between the department's subdivisions or institutions and human service centers during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 8. LINE ITEM TRANSFER AUTHORITY. Notwithstanding section 54-16-04, the department of human services may transfer amounts of up to \$250,000 from the operating expenses line item in subdivision 1 of section 1 of this Act to the equipment line item in subdivision 1 of section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30, 2003. The department shall notify the office of management and budget of each transfer.

SECTION 9. LEGISLATIVE INTENT - MEDICAL SERVICES - UTILIZATION REVIEW. It is the intent of the legislative assembly that the department of human services enhance the effectiveness of its utilization review efforts in the medical services program during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 10. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - SHARING OF WORKSTATIONS. It is the intent of the legislative assembly that the department of human

services consider requiring the sharing of workstations by its employees for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 11. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - TELEPHONE COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider distributing prepaid telephone calling cards to its employees for use when making allowable long-distance personal telephone calls when traveling on official state business during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 12. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES - PRINTING COST-SAVINGS. It is the intent of the legislative assembly that the department of human services consider expanding its use of e-mail for distributing information to reduce printing costs for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 13. LEGISLATIVE INTENT - GENERAL FUND AND HEALTH CARE TRUST FUND MONEYS - SPENDING PRIORITY. It is the intent of the legislative assembly that for any programs receiving appropriations from both the general fund and health care trust fund, the department of human services spend moneys appropriated from the general fund before spending moneys from the health care trust fund for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 14. LEGISLATIVE INTENT - STATE HOSPITAL LANDFILL CLOSURE. It is the intent of the legislative assembly that the state hospital seek the assistance of the adjutant general in the closure of the state hospital landfill and that the adjutant general complete the project subject to the approval of the associated general contractors of North Dakota for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 15. LEGISLATIVE INTENT - FEDERAL FAMILY CAREGIVER FUNDS. It is the intent of the legislative assembly that the department of human services determine the requirements related to the acceptance of federal family caregiver funds, including allowable uses, maintenance of effort, and future funding projections.

SECTION 16. LEGISLATIVE INTENT - PAYMENT SCHEDULE FOR CRITICAL ACCESS HOSPITALS. It is the intent of the legislative assembly that the department of human services implement a charge-based payment schedule for critical access hospitals, for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 17. LEGISLATIVE COUNCIL STUDY - STATE ADMINISTRATION OF CHILD SUPPORT. The legislative council shall consider studying, during the 2001-02 interim, the feasibility and desirability of state administration of child support, including the fiscal effect on counties and the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 18. LEGISLATIVE COUNCIL STUDY - SENIOR CITIZEN MILL LEVY MATCHING PROGRAM. The legislative council shall consider studying during the 2001-02 interim, the senior citizen mill levy matching grant program. If chosen, the study must address the appropriateness of whether the program match a percentage of the total mills levied by each county or match funds only on the first mill levied by each county. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-eighth legislative assembly.

SECTION 19. LEGISLATIVE INTENT - NORTHEAST HUMAN SERVICE CENTER FUNDING. It is the intent of the legislative assembly that any budget adjustments made by the northeast human service center relating to the unspecified \$175,000 reduction in general fund support made by the fifty-seventh legislative assembly not be made in areas of the budget that provide funding for contracts with private providers for the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 20. MEDICAID FUNDING - REPORTS TO BUDGET SECTION. The department of human services shall report to each meeting of the budget section during the 2001-02 interim on the status of actual medical assistance expenditures to projections based on legislative appropriations for the biennium beginning July 1, 2001, and ending June 30, 2003. Each report must include the department's medical services utilization review efforts and the effect of these efforts on utilization and expenditures. If the department of human services anticipates that actual expenditures will exceed the funding provided by the legislative assembly for medical assistance grants, the department shall report to the budget section on the department's efforts to manage the funds appropriated to the department to provide for the anticipated shortfall and, if necessary, seek budget section approval to spend funds at a level which would require a request for a general fund deficiency appropriation from the next legislative assembly.

SECTION 21. DEPARTMENT OF HUMAN SERVICES APPROPRIATIONS BILL - EXECUTIVE BUDGET RECOMMENDATION. Notwithstanding North Dakota Century Code section 54-44.1-06, the office of the budget shall submit for introduction to the fifty-eighth legislative assembly the department of human services appropriations bill reflecting the same funding levels by line item and employee levels authorized by the fifty-seventh legislative assembly for the 2001-03 biennium. Any budget changes recommended by the office of the budget for the department of human services for the 2003-05 biennium must be presented to the appropriations committees of the fifty-eighth legislative assembly as a recommendation for change to the bill as introduced.

SECTION 22. COMPULSIVE GAMBLING SERVICES - CONTINGENT FUNDING. The operating expenses line item in subdivision 3 of section 1 of this Act includes \$150,000 from the general fund for compulsive gambling services. The department of human services may spend \$50,000 of this funding for compulsive gambling services only if the mental health association of North Dakota certifies to the department of human services that it has received at least \$220,000 of funding from Indian gaming sources for compulsive gambling services during the biennium beginning July 1, 2001, and ending June 30, 2003.

SECTION 23. STATE HOSPITAL LANDFILL CLOSURE - PROJECTED SAVINGS. During the second year of the biennium beginning July 1, 2001, and ending June 30, 2003, the state hospital may use projected savings from other areas of the state hospital budget for the costs of closing the state hospital landfill. The state hospital may transfer appropriation authority between line items to provide the funding needed for the project, subject to emergency commission and budget section approval.

SECTION 24. Basic care facility private room rates. The department of human services shall allow a basic care facility to charge a higher rate for a private room used by a recipient of benefits under chapter 50-24.5 if the private room is not necessary to meet the resident's care needs; the resident, or a person acting on behalf of the resident, has requested the private room and the facility informs the person making the request, at the time of the request, of the amount of payment and that the payment must come from sources other than a resident's monthly income; and the payment does not exceed the amount charged to private pay residents.

SECTION 25. AMENDMENT. Subsection 2 of section 25-02-01.1 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The department, in consultation with the state hospital, shall create a state hospital governing body and shall by rules describe the powers and duties of the governing body. The department shall compensate members not employed by the department in the amount of ~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day and reimburse members for expenses incurred in attending meetings in the amounts provided by sections 44-08-04 and 54-06-09."

SECTION 26. AMENDMENT. Subsection 3 of section 50-01.2-03.2 of the North Dakota Century Code is amended and reenacted as follows:

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:
 - a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at ~~one hundred percent~~ a percentage based on the level of legislative appropriations;
 - b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date; and
 - c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation; ~~and~~.
 - d. ~~For calendar year 2000, up to fifteen percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement. For the first six months of calendar year 2001, up to seven and one half percent of the social service block grant funds available to all counties during that calendar year or general fund equivalents of social service block grant funds must be used for part of this reimbursement.~~

SECTION 27. AMENDMENT. Section 50-09-06.1 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1108, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

50-09-06.1. Assignment of support rights. An application under this chapter is deemed to create and effect an assignment of all rights to support, which a family member or foster child may have or come to have, to the state agency. The assignment:

1. Is effective as to all current and accrued support obligations and periods of eligibility;
2. Is limited to the total cost of benefits provided to the family or foster child; ~~and~~
3. Terminates when eligibility ceases, except with respect to any support obligation unpaid at that time; and
4. Is not effective as to any child subject to a benefit cap imposed under section 50-09-29.

SECTION 28. A new subsection to section 50-10-06 of the North Dakota Century Code is created and enacted as follows:

Establish eligibility criteria for services under this chapter at one hundred eighty-five percent of the poverty line, except for criteria relating to phenylketonuria or maple syrup urine disease treatment services for which income is not to be considered when determining eligibility. For purposes of this chapter, "poverty line" has the same meaning as defined in section 50-29-01.

SECTION 29. EFFECTIVE DATE. Section 27 of this Act becomes effective January 1, 2002.

SECTION 30. EMERGENCY. Section 24 of this Act is declared to be an emergency measure. The department of human services shall authorize the basic care facility private room rate through emergency rulemaking.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-seventh Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1012 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 74 Nays 22 Absent 2

Speaker of the House

Chief Clerk of the House

This certifies that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 41 Nays 8 Absent 0

President of the Senate

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2001.

Approved at _____ M. on _____, 2001.

Governor

Filed in this office this _____ day of _____, 2001,
at _____ o'clock _____ M.

Secretary of State