

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2201

2005 SENATE POLITICAL SUBDIVISIONS

SB 2201

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2201

Senate Political Subdivisions Committee

☐ Conference Committee

Hearing Date January 20, 2005

Tape Number	Side A	Side B	Meter #
1	X		1577 - 2943
Committee Clerk Signature <i>Shirley Borg</i>			

Minutes:

Chairman Cook opened the hearing on SB 2201 relating to federal block grants supporting community action agencies. All committee members (6) present.

Senator Rich Wardner, District 37, Dickinson, ND, introduced SB 2201. The bill was brought in at the request of the community action people in Dickinson and Williston. This issue was brought to their attention by the attorney generals office. It has to do with federal block grants supporting community action agencies and making sure that the money comes through the process to where it are suppose to go.

Ervin Bren, Director, Community Action Partnership, Dickinson, ND, appeared in support of SB 2201. (See attachment #1)

Chairman Cook: We get a wide range of issues in this committee and it is nice to have a little education. How many community action agencies do we have in the state?

Ervin Bren: There are seven community action agencies in North Dakota. Each planning region has a community action agency. Region 1 and 8 are combined. Region 2, 3, 4, 5, 6, and 7 each have a community action agency within their region. They cover the counties within those service areas. Programs provided are very similar throughout the state, however each region has specific services based upon the identified needs within their region. In the early eighties when CSBG funding language came out, it was a mandate that all counties in North Dakota be served by a community action agency.

Chairman Cook: Do you compete for these grants?

Ervin Bren: The majority of the grants do not compete. However there are some grants that are competitive but as far as the block grant dollars that we are talking about here, they are designated for community action agencies to apply for to carry out the services within our service area.

Senator Dever: In the second paragraph on page 2 of your testimony, the existing language was taken directly from federal authorization and the new language is in anticipation of new language from federal reauthorization. Is it safe to assume that you have received communication on what that federal reauthorization would be and if we change language now would that put you in violation of current federal authorization.

Ervin Bren: The language as it is being revised within North Dakota is more broad and we have received some of the information from the federal government on the proposed changes and the language should be broad enough to fit what the federal regulation would be.

Alan Erickson, Attorney Generals Office, appeared neither for or against SB 2201, but to answer questions on the bill. They are working with the Department of Commerce to develop

the appropriate language for the bill. The first question was; are there other block grants that are currently not available but we think would be available. The attorney generals office is not aware of any right now. The state is trying to access as much federal money as we can through different agencies under federal law. There is also the issue of private funds. The community action agencies are incorporated as private nonprofit, so they can access private charitable dollars from various foundations and that would have nothing to do with this law. Another question was; are we being too specific. If the federal law were to change in a way that a community action agency could meet both the state and the new federal regulations, we wouldn't have an issue. But if the federal law would change in a way that the community action agency could not meet both the existing state law and the new federal regulation, then we would not qualify for the federal funds as a state. This would effect a number of federal pass through programs, the home program being just one of them. So we try to open this up for that purpose.

Senator Triplett : Have we lost any money to date that you are aware of or is this a preemptive strike to make sure we are positioned for the future.

Alan Erickson: We have lost no money to date, but we know it was up for reauthorization last year and then it was extended because they couldn't come to agreement.

No further testimony in support for or against SB 2201.

Chairman Cook closed the hearing.

Chairman Cook asked if there were any questions or if everyone was comfortable with the bill.

Senator Triplett moved a Do Pass on SB 2201

Senator Hacker seconded the motion. Roll call vote: Yes 6 No 0 Absent 0

Carrier: **Senator Dever**

Date: 1-20-05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2201

Senate Political Subdivisions Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Senator Triplett Seconded By Senator Hacker

Senators	Yes	No	Senators	Yes	No
Senator Dwight Cook, Chairman	X				
Senator Nicholas P. Hacker VC	X				
Senator Dick Dever	X				
Senator Gary A. Lee	X				
Senator April Fairfield	X				
Senator Constance Triplett	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Dever

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

St. Com. Re. Print
1-20-05

REPORT OF STANDING COMMITTEE (410)
January 20, 2005 10:56 a.m.

Module No: SR-13-0769
Carrier: Dever
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2201: Political Subdivisions Committee (Sen. Cook, Chairman) recommends DO PASS (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2201 was placed on the Eleventh order on the calendar.

2005 HOUSE POLITICAL SUBDIVISIONS

SB 2201

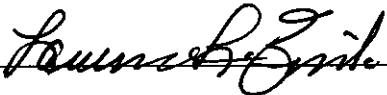
2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2201

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date March 11, 2005

Tape Number	Side A	Side B	Meter #
1	x		39.4 to end
1		x	3.2 to 6.8
2	x		7.3 to 8.5
Committee Clerk Signature 			

Minutes: **Rep. Devlin, Chairman** opened the hearing on SB 2201, a bill for an Act to amend and reenact sections 54-44.5-01, 54-44.5-06, and 54-44.5-07 of the North Dakota Century Code, relating to federal block grants supporting community action agencies.

Sen Wardner representing District 37 and prime sponsor of SB 2201 spoke explaining the bill and to ask for the committee support. The bill was introduced at the request of the Community Action of North Dakota. The purpose of the bill is to clean up the language so there is no a conflict between state and federal funds because it comes through the state on down to the community actions groups. It was at the advice of Mr. Ed Erickson of the Attorney general's office that needed to cleanup that language. There were two representatives of the community action and Mr. Erickson from the Attorney General's Office present to give further testimony.

Karen Hilfer -- she is the coordinator of the Community Services Block Grant program at the Dickinson Community Action Program. A copy of her prepared testimony is attached. The new

proposed language says that a Community Action programs must have a set of bylaws and a board of directors in compliance with several sections of the law.

Rep. Ekstrom (48.2) Has the federal government seen this language -- what is the genesis of the language on page about how many members, etc. -?

Karen Hilfer -- That is a technical question -- they (? Those from the Attorney General's office) will have to answer for you.

Rep. Herbel, Vice Chairman (48.9) Is this proactive legislation?

Karen Hilfer -- Yes - it is.

Edward Erickson - representing the Attorney General's Office as a special assistant attorney general -- working with the Department of Commerce division of Community Services which manages a lot of these federal programs -- in fact it is in their chapter of law that find the definitions of community action and the provisions we are amending here today. I don't have any testimony but will answer any questions.

Rep. Ekstrom (50.9) I was asking where that language came from?

Edward Erickson -- the original language that was put into law -- was taken from current federal regulations and there should be change in the operations at the present time. The CAP would still follow the federal regulations in order to receive federal funds -- the problem is that the act of the specific Economic Opportunity Act of 1964 has been up for renewal -- it has been granted an extension -- without the amendments by power with the understanding the administration plans some significant amendments to be proposed to this Act -- we don't know what they might be and the legal issue is that state law that the division of Community services may pass the funds on to an organization that look like the current federal regulations -- what

may happen is the federal regulations are changed so the Community Action Agency may not comply with both the federal and state law which --current regulations which if they do not do that then we can not accept the federal money to hand it to the community Action Agencies or state law would block us once we accepted it --from handing it to them. So we would have a bit of a bind there. We want this change simply so that we can follow whatever change might happen the feds may want to do. A majority of the states don't have a statute addressing this issue. It is not necessary that the state copy federal law as long as they have a statute that gives them an agency which can accept the funds to participate in the program.

Rep. Dietrich (55.0) I have a question for Ms. Hilfer.

End of side A tape 1

Tape 1 Side B

Rep. Dietrich (3.1) Do you have some income housing?

Karen Hilfer -- yes -- we have developed housing -- I can only speak for our agency -- our agency covers Region 1 and Region 8 -- we have developed a number of low income housing units -- one is in partnership with the Badlands Human Services --we took an old apartment building and re-habed it into single bedroom units -- it is manned by someone from Badlands -- the people in it have mental illness -- they can't quite live out on their own -- they need monitoring -- making sure they take their meds and are eating properly -- basically they are on their own except for that. --we have an apartment complex in Watford City which is designated for low income individuals -- we have at least one apartment that is handicapped accessible -- we helped communities like Scranton -- take a local apartment complex that was in really bad shape and -- with our funding options helped them remodel it -- it stayed in local ownership -- and that

is now low income housing for senior citizens. In Williston -- we did -- usually take existing apartments and refurbish them -- I think is an 8 - plex in Williston which is also for low income. At this point we are also looking at looking at some new construction for new family homes for low income families -- this is the first time and we want to see how that goes.

Rep. Dietrich (5.0) On the new construction -- who has ownership of the property?

Karen Hilfer -- We have one in Scranton that is still owned by the community. The one in Williston -- and the other one I tossed out are owned by us -- so we have to manage them.

Rep. Dietrich (5.2) And on the new construction -- who would own those ?

Karen Hilfer -- the single family homes would be owned by the person(s) they will enter into a mortgage and they will buy those -- in the end it will probably work through -- anyway we will be working with them to but down the mortgage-- we are looking at approximately \$105,000 and probably -- depending on interest rates -- buying it down to about \$85,000 to where they can handle the payments.

Rep. Herbel, Vice Chairman -- Note: took over the chairing of the meeting as Chairman Devlin needed to go to testify at another committee.

Rep. Dietrich (6.3) When you by these down would you go through the first time home owners?

Karen Hilfer-- that would be one of the options -- or may be some other non-profits.

There being no further testimony neither for nor against **Rep. Herbel, Vice Chairman** closed the hearing on SB 2201. (6.8) .

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House Political Subdivisions Committee
Bill/Resolution Number SB 2201
Hearing Date March 11, 2005

Tape 2 Side A (7.1) Work session. **Rep. N. Johnson** moved a 'Do Pass' motion for SB 2201.

Rep. Pietsch seconded the motion. On a roll call vote the motion carried **11 Ayes 0 nays 1**

absent. Rep. N. Johnson was designated to carry SB 2201 on the floor. End of record (8.2).

Date: March 11, 2005
Roll Call Vote:

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2201

House POLITICAL SUBDIVISIONS Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Rep. Johnson Seconded By Rep. Pietsch

Representatives	Yes	No	Representatives	Yes	No
Rep. Devlin, Chairman	✓		Rep. Ekstrom	✓	
Rep. Herbel, Vice Chairman	✓		Rep. Kaldor	✓	
Rep. Dietrich	✓		Rep. Zaiser	A	
Rep. Johnson	✓				
Rep. Koppelman	✓				
Rep. Kretschmar	✓				
Rep. Maragos	✓				
Rep. Pietsch	✓				
Rep. Wrangham	✓				

Total (Yes) 11 No 0

Absent 1

Floor Assignment Rep. Johnson

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

REPORT OF STANDING COMMITTEE (410)
March 14, 2005 9:24 a.m.

Module No: HR-46-4830
Carrier: N. Johnson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2201: Political Subdivisions Committee (Rep. Devlin, Chairman) recommends DO PASS (11 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2201 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

SB 2201

TESTIMONY BEFORE
SENATE POLITICAL SUBDIVISIONS COMMITTEE

IN SUPPORT OF SB 2201

Thursday, Jan. 20, 2005

Ervin Bren, Director
Community Action Partnership
202 East Villard
Dickinson, ND 58601
701-227-0131

Chairman Cook and Committee Members

I appear here today in support of Senate Bill 2201 which amends the section of the North Dakota Century Code that addresses pass through of Federal Block Grant dollars to Community Action Agencies (CAAs) in North Dakota. My name is Erv Bren and I am director of Community Action Partnership in Dickinson.

The network of Community Action Partnership programs across North Dakota are dedicated to working for the stabilization and economic advancement of the working poor, the disabled, disadvantaged youth, and the elderly.

To achieve those goals our agencies provide a variety of services designed to meet the needs of clients in our local communities – food, emergency services, assistance with payment of delinquent electric costs, purchase of medications, Head Start programs, case management to strive for self-sufficiency, youth diversion, weatherization of homes, development of low-income housing and much more.

Following an audit of 2001 concerns were raised about Chapter 54-44.5 by the state Division of Community Service, the State Auditor's Office and the State Attorney General's Office. Primary concern is the ability of the state to distribute Community Services Block Grant (CSBG) funds to the CAAs if there is a change in the federal reauthorization law. If there would be any disparity between the federal reauthorization law and the current, very specific, state law, the state might not be able to distribute the funds.

There are several minor proposed changes within Chapter 54-44.5 with the most telling change occurring under Section 2: 54-44.5-06 where the previous language was very specific in identifying the structure of a CAA's board of directors. This language was taken directly from the Federal authorization. But as we all know, Federal language can change with very little warning and place utilization of those dollars at risk in North Dakota.

Proposed new language is very simple and straight forward stating that a CAA must have by-laws and a board of directors in compliance with federal law in order to be eligible for a block grant allocation.

Without this broad flexible language, if a change in the Federal system takes place DCS and the CAAs might have to wait 1 to 2 years until the North Dakota Legislature meets to change the statute and once again become compliant with Federal regulations. This could mean the stopping of services to the low-income

people in our communities. And, an even bigger potential danger could be the diverting of funds slated to North Dakota to other states because we are not using the money. If that happened would those dollars ever return to North Dakota?

We ask that you support these changes to the North Dakota Century Code which will ultimate ensure that the flow of dollars which support services for the lowest income levels of our population remains intact.

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TESTIMONY BEFORE
HOUSE OF REPRESENTATIVES POLITICAL SUBDIVISIONS COMMITTEE

IN SUPPORT OF SB 2201

Friday, March 11, 2005

Karen Hilfer, CSBG Coordinator
Community Action Partnership
202 East Villard
Dickinson, ND 58601

Chairman Devlin and Committee Members

I appear here today in support of Senate Bill 2201 which amends the section of the North Dakota Century Code that addresses pass through of Federal Block Grant dollars to Community Action Agencies (CAAs) in North Dakota. My name is Karen Hilfer and I am the coordinator for Community Services Block Grant program at the Dickinson CAP.

The network of Community Action Partnership programs across North Dakota are dedicated to working for the stabilization and economic advancement of the working poor, the disabled, disadvantaged youth, and the elderly.

To achieve those goals the Community Action agencies in North Dakota provide a variety of services designed to meet the needs of clients in our local communities – food, emergency services, assistance with payment of delinquent electric costs, purchase of medications, Head Start programs, case management to strive for self-sufficiency, youth diversion, weatherization of homes, development of low-income housing and much more.

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