

25.0156.02012

Title.

Fiscal No. 4

Sixty-ninth
Legislative Assembly
of North Dakota

Prepared by the Legislative Council
staff for Senate Appropriations - Human
Resources Division Committee
April 14, 2025

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED HOUSE BILL NO. 1012

Introduced by

Appropriations Committee

A BILL for an Act to provide an appropriation for defraying the expenses of various divisions of the department of health and human services; to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to an extraordinary medical needs housing loan fund; to amend and reenact sections 50-06-06.6, 50-06-42, 50-24.5-02.3, ~~and~~ 50-33-05, and subsection 1 of 50-36-03 of the North Dakota Century Code and subsection 6 of the new section to chapter 54-07 of the North Dakota Century Code created in section 1 of Senate Bill No. 2176, as approved by the sixty-ninth legislative assembly, relating to leases of department of health and human services property, substance use disorder treatment program, basic care payment rates, ~~and~~ state of residence for child care assistance, opioid settlement advisory committee, and children's cabinet; to provide for a transfer; to authorize a line of credit; to provide legislative intent; to provide for a legislative management study; to provide an application; to provide an exemption; to provide for a report; and to provide an effective date.

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 other funds derived from special funds and federal funds, to the department of health and human services for the purpose of defraying the expenses of its various divisions, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

~~— Subdivision 1.~~

1	SALARIES AND WAGES BLOCK GRANT			
2		Adjustments or		
3		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
4	Salaries and wages block grant	\$0	\$596,284,775	\$596,284,775
5	Total all funds	0	596,284,775	596,284,775
6	Less other funds	0	286,720,150	286,720,150
7	Total general fund	\$0	\$309,564,625	\$309,564,625
8	Subdivision 2.			
9	BUSINESS OPERATIONS			
10		Adjustments or		
11		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12	Salaries and wages	\$25,763,358	(\$25,763,358)	\$0
13	Operating expenses	155,308,399	(77,023,770)	78,284,629
14	Capital assets	108,934	(108,934)	0
15	Grants	11,812,627	6,966,375	18,779,002
16	Total all funds	\$192,993,318	(\$95,929,687)	\$97,063,631
17	Less other funds	118,894,310	(71,526,221)	47,368,089
18	Total general fund	\$74,099,008	(\$24,403,466)	\$49,695,542
19	Subdivision 3.			
20	BEHAVIORAL HEALTH			
21		Adjustments or		
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Salaries and wages	\$8,792,675	(\$8,792,675)	\$0
24	Operating expenses	79,381,458	23,888,138	103,269,596
25	Grants	40,476,298	21,889,322	62,365,620
26	Behavioral health clinics	196,383,945	(139,978,713)	56,405,232
27	State hospital	94,826,973	256,053,182	350,880,155
28	Opioid addiction prevention	2,000,000	6,000,000	8,000,000
29	Total all funds	\$421,861,349	\$159,059,254	\$580,920,603
30	Less other funds	113,955,941	285,267,537	399,223,478
31	Total general fund	\$307,905,408	(\$126,208,283)	\$181,697,125

~~Subdivision 4.~~

~~HUMAN SERVICES~~

Adjustments or			
Base Level	Enhancements	Appropriation	
Salaries and wages	\$168,325,918	(\$168,325,918)	\$0
Operating expenses	88,885,469	108,258,236	197,143,705
Capital assets	10,000	0	10,000
Grants	621,189,007	94,393,260	715,582,267
Life skills and transition center	44,992,263	(29,784,605)	15,207,658
Grants - medical assistance	742,793,564	7,655,079	750,448,643
County social services	197,663,661	6,928,621	204,592,282
Total all funds	\$1,863,859,882	\$19,124,673	\$1,882,984,555
Less other funds	1,240,409,529	(13,961,485)	1,226,448,044
Total general fund	\$623,450,353	\$33,086,158	\$656,536,511

~~Subdivision 5.~~

~~MEDICAL SERVICES~~

Adjustments or			
Base Level	Enhancements	Appropriation	
Salaries and wages	\$21,008,344	(\$21,008,344)	\$0
Operating expenses	70,807,977	92,364,562	163,172,539
Grants	1,651,004	1,806,800	3,457,804
Grants - medical assistance	2,682,778,803	6,500,467	2,689,279,270
Total all funds	\$2,776,246,128	\$79,663,485	\$2,855,909,613
Less other funds	1,818,029,530	(7,372,459)	1,810,657,071
Total general fund	\$958,216,598	\$87,035,944	\$1,045,252,542

~~Subdivision 6.~~

~~PUBLIC HEALTH~~

Adjustments or			
Base Level	Enhancements	Appropriation	
Salaries and wages	\$60,415,388	(\$60,415,388)	\$0
Operating expenses	37,721,213	17,853,669	55,574,882

Sixty-ninth
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1	Capital assets	1,469,780	2,215,838	3,685,618
2	Grants	81,718,145	4,245,496	85,963,641
3	Tobacco prevention	13,063,162	(22,607)	13,040,555
4	Women, infants, and children	19,900,000	1,100,000	21,000,000
5	—food payments			
6	Cares Act/COVID-19	83,909,182	1,845,373	85,754,555
7	Total all funds	\$298,196,870	(\$33,177,619)	\$265,019,251
8	Less other funds	250,440,690	(20,626,287)	229,814,403
9	Total general fund	\$47,756,180	(\$12,551,332)	\$35,204,848

10 — Subdivision 7:

11 TOTAL — SECTION 4

12 — Adjustments or —

13 — Base Level — Enhancements — Appropriation

14 Grand total all funds \$5,553,157,547 \$725,024,881 \$6,278,182,428

15 Grand total other funds 3,541,730,000 458,501,235 4,000,231,235

16 Grand total general fund \$2,011,427,547 \$266,523,646 \$2,277,951,193

17 Full-time equivalent positions 2,483.83 204.52 2,688.35

18 Subdivision 1.

19 SALARIES AND WAGES BLOCK GRANT

20	Adjustments or			
21	Base Level	Enhancements	Appropriation	
22	Salaries and wages block grant	\$0	\$619,977,466	\$619,977,466
23	Total all funds	0	619,977,466	619,977,466
24	Less other funds	0	291,449,112	291,449,112
25	Total general fund	\$0	\$328,528,354	\$328,528,354

26 Subdivision 2.

27 BUSINESS OPERATIONS

28	Adjustments or			
29	Base Level	Enhancements	Appropriation	
30	Salaries and wages	\$25,763,358	(\$25,763,358)	\$0
31	Operating expenses	155,308,399	(77,023,770)	78,284,629

Sixty-ninth
Legislative Assembly

1	Capital assets	108,934	(108,934)	0
2	Grants	11,812,627	6,966,375	18,779,002
3	Total all funds	\$192,993,318	(\$95,929,687)	\$97,063,631
4	Less other funds	118,894,310	(71,526,221)	47,368,089
5	Total general fund	\$74,099,008	(\$24,403,466)	\$49,695,542
6	Subdivision 3.			
7	BEHAVIORAL HEALTH			
8		Adjustments or		
9		Base Level	Enhancements	Appropriation
10	Salaries and wages	\$8,792,675	(\$8,792,675)	\$0
11	Operating expenses	79,381,458	23,789,660	103,171,118
12	Grants	40,476,298	9,179,322	49,655,620
13	Behavioral health clinics	196,383,945	(139,438,537)	56,945,408
14	State hospital	94,826,973	(73,946,818)	20,880,155
15	Opioid addiction prevention	2,000,000	6,000,000	8,000,000
16	Total all funds	\$421,861,349	(\$183,209,048)	\$238,652,301
17	Less other funds	113,955,941	(47,060,463)	66,895,478
18	Total general fund	\$307,905,408	(\$136,148,585)	\$171,756,823
19	Subdivision 4.			
20	HUMAN SERVICES			
21		Adjustments or		
22		Base Level	Enhancements	Appropriation
23	Salaries and wages	\$168,325,918	(\$168,325,918)	\$0
24	Operating expenses	88,885,469	109,950,106	198,835,575
25	Capital assets	10,000	0	10,000
26	Grants	621,189,007	67,250,145	688,439,152
27	Life skills and transition center	44,992,263	(29,784,605)	15,207,658
28	Grants - medical assistance	742,793,564	7,655,079	750,448,643
29	County social services	197,663,661	6,928,621	204,592,282
30	Total all funds	\$1,863,859,882	(\$6,326,572)	\$1,857,533,310

Sixty-ninth
Legislative Assembly

1	<u>Less other funds</u>	1,240,409,529	(24,088,934)	1,216,320,595
2	<u>Total general fund</u>	\$623,450,353	\$17,762,362	\$641,212,715
3	<u>Subdivision 5.</u>			
4	<u>MEDICAL SERVICES</u>			
5			<u>Adjustments or</u>	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	<u>Salaries and wages</u>	\$21,008,344	(\$21,008,344)	\$0
8	<u>Operating expenses</u>	70,807,977	92,364,562	163,172,539
9	<u>Grants</u>	1,651,004	1,006,800	2,657,804
10	<u>Grants - medical assistance</u>	2,682,778,803	(8,320,037)	2,674,458,766
11	<u>Total all funds</u>	\$2,776,246,128	\$64,042,981	\$2,840,289,109
12	<u>Less other funds</u>	1,818,029,530	(8,809,057)	1,809,220,473
13	<u>Total general fund</u>	\$958,216,598	\$72,852,038	\$1,031,068,636
14	<u>Subdivision 6.</u>			
15	<u>PUBLIC HEALTH</u>			
16			<u>Adjustments or</u>	
17		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18	<u>Salaries and wages</u>	\$60,415,388	(\$60,415,388)	\$0
19	<u>Operating expenses</u>	37,721,213	(31,434,070)	6,287,143
20	<u>Capital assets</u>	1,469,780	1,287,838	2,757,618
21	<u>Grants</u>	81,718,145	(11,577,165)	70,140,980
22	<u>Tobacco prevention</u>	13,063,162	(22,607)	13,040,555
23	<u>Women, infants, and children</u>	19,900,000	1,100,000	21,000,000
24	<u>food payments</u>			
25	<u>Cares Act/COVID-19</u>	83,909,182	1,845,373	85,754,555
26	<u>Total all funds</u>	\$298,196,870	(\$99,216,019)	\$198,980,851
27	<u>Less other funds</u>	250,440,690	(83,320,870)	167,119,820
28	<u>Total general fund</u>	\$47,756,180	(\$15,895,149)	\$31,861,031
29	<u>Subdivision 7.</u>			
30	<u>TOTAL - SECTION 1</u>			

		Adjustments or	
	Base Level	Enhancements	Appropriation
Grand total all funds	\$5,553,157,547	\$299,339,121	\$5,852,496,668
Grand total other funds	3,541,730,000	56,643,567	3,598,373,567
Grand total general fund	\$2,011,427,547	\$242,695,554	\$2,254,123,101
Full-time equivalent positions	2,483.83	204.52	2,688.35

SECTION 2. ONE TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Technology projects	\$0	\$10,263,000	\$10,263,000
Human service centers and life skills	0	1,052,480	1,052,480
—and transition center projects			
Retire mainframe	0	15,000,000	15,000,000
Child care programs	13,272,500	0	13,272,500
Housing programs	0	1,000,000	1,000,000
State laboratory move and equipment	0	2,962,304	2,962,304
Partial hospitalization day treatment	0	2,000,000	2,000,000
Developmental disabilities eligibility	200,000	200,000	400,000
—assessment tool for kids			
Toxicology equipment	151,500	100,000	251,500
New state hospital	0	330,000,000	330,000,000
Behavioral health facility grant	0	12,960,000	12,960,000
Cultural community center grant	0	1,000,000	1,000,000
Adaptive recreation grant	200,000	0	200,000
Intermediate care facility grant	3,457,736	0	3,457,736
Juvenile justice diversion services	750,000	0	750,000
Animal shelter grant	0	300,000	300,000
Statewide health strategies	0	750,000	750,000

Sixty-ninth
Legislative Assembly

1	Critical access hospital networking	0	2,000,000	2,000,000
2	Total	\$18,031,736	\$379,587,784	\$397,619,520
3	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
4	<u>Technology projects</u>	<u>\$0</u>	<u>\$4,548,930</u>	<u>\$4,548,930</u>
5	<u>Human service centers and life skills</u>	<u>0</u>	<u>1,684,480</u>	<u>1,684,480</u>
6	<u>and transition center projects</u>			
7	<u>Retire mainframe</u>	<u>0</u>	<u>15,000,000</u>	<u>15,000,000</u>
8	<u>Child care programs</u>	<u>9,272,500</u>	<u>0</u>	<u>9,272,500</u>
9	<u>Housing programs</u>	<u>0</u>	<u>2,500,000</u>	<u>2,500,000</u>
10	<u>State laboratory move and equipment</u>	<u>0</u>	<u>2,962,304</u>	<u>2,962,304</u>
11	<u>Partial hospitalization day treatment</u>	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
12	<u>Developmental disabilities eligibility</u>	<u>200,000</u>	<u>200,000</u>	<u>400,000</u>
13	<u>assessment tool for kids</u>			
14	<u>Toxicology equipment</u>	<u>151,500</u>	<u>100,000</u>	<u>251,500</u>
15	<u>Behavioral health facility grant</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
16	<u>Cultural community center grant</u>	<u>0</u>	<u>300,000</u>	<u>300,000</u>
17	<u>Intermediate care facility grant</u>	<u>0</u>	<u>4,400,000</u>	<u>4,400,000</u>
18	<u>Juvenile justice diversion services</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>
19	<u>Critical access hospital networking</u>	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
20	<u>Basic care \$5 daily rate</u>	<u>4,067,056</u>	<u>1,474,184</u>	<u>5,541,240</u>
21	<u>Infant and toddler care provider support</u>	<u>13,500,000</u>	<u>0</u>	<u>13,500,000</u>
22	<u>Child welfare technology project line</u>	<u>0</u>	<u>8,411,218</u>	<u>8,411,218</u>
23	<u>of credit</u>			
24	<u>Medical housing for individuals</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>
25	<u>with extraordinary medical needs</u>			
26	<u>Total</u>	<u>\$27,391,056</u>	<u>\$50,081,116</u>	<u>\$77,472,172</u>

SECTION 3. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.

Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority between line items within subdivisions 1, 2, 3, 4, 5, and 6 of section 1 of this Act and any other appropriation authority for the department of health and human services approved by the sixty-ninth legislative assembly, for the biennium beginning

July 1, 2025, and ending June 30, 2027, as requested by the department of health and human services. The department of health and human services shall notify the legislative council of any transfer made pursuant to this section. The department of health and human services shall report to the budget section after June 30, 2026, any transfer made in excess of \$50,000 and to the appropriations committees of the seventieth legislative assembly regarding any transfers made pursuant to this section.

SECTION 4. FULL-TIME EQUIVALENT POSITION BLOCK GRANT PROGRAM -

REPORT. Section 1 of this Act includes funding for a full-time equivalent position block grant program. This funding as approved by the sixty-ninth legislative assembly is available for defraying the expense of full-time equivalent positions as determined by the department of health and human services. Notwithstanding any other provision of law, the department is authorized to increase or decrease authorized full-time equivalent positions subject to the availability of funds and the provisions of this section. The department of health and human services may not increase full-time equivalent positions for the purpose of transferring human service zone employees to state employment. Pursuant to section 3 of this Act, the department is authorized to transfer appropriation authority of up to the underfunded amount of \$30,000,000 to the salaries and wages block grant line item. The department of health and human services shall report to the office of management and budget and legislative council any adjustments to full-time equivalent positions.

SECTION 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES - SALARIES AND

WAGES BLOCK GRANT - VACANT POSITIONS - REPORT. The department of health and human services shall report to the budget section quarterly during the 2025-26 interim regarding the status of its salaries and wages block grant and vacant positions and employee turnover.

The report must include:

1. The legislative appropriation for salaries and wages allocated by the department to major department programs by funding source and the number of FTE positions the department is allocating to each major program based on the legislative appropriation;
2. Any changes to salaries and wages funding or FTE positions allocated to major department programs;

3. Any new FTE positions added, the cost of the position for the remainder of the biennium, and the cost to continue funding the position in the subsequent biennium by funding source;
4. Any FTE positions removed and related funding;
5. The number of FTE positions that become vacant and the number filled each month;
6. The number of vacant FTE positions at the end of each month;
7. Salaries and wages savings resulting from vacant positions and employee turnover each month by funding source; and
8. The use of salaries and wages savings for other purposes for each month by funding source.

**SECTION 6. BEHAVIORAL HEALTH FACILITY GRANT - STRATEGIC INVESTMENT
AND IMPROVEMENTS FUND - APPLICATION.**

1. Section 1 of this Act includes the sum of ~~\$12,960,000~~ \$5,000,000 from the strategic investment and improvements fund for a behavioral health facility grant pursuant to this section.
- ~~2. A grant of \$12,960,000 must be provided to establish a behavioral health facility in the northeast human service region. The grant recipient must provide matching funds of \$3,240,000 to establish the facility.~~
- ~~3.~~ 2. The department shall require an entity receiving funding under this section to operate the facility for at least ten years and require the grant amount to be repaid if the entity does not operate the facility for at least ten years.
- ~~4.~~ 3. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments made under this section.

**SECTION 7. INFANT AND TODDLER CARE PROVIDER SUPPORT DIRECT PAYMENT -
ONE-TIME - REPORT.** Section 1 of this Act includes the sum of \$13,500,000 of one-time funding from the general fund for direct payments to licensed child care providers to support high-quality early childhood care for infants and toddlers. The department shall administer the direct payment program and include the following provisions:

1. To qualify for a direct payment under this section, a direct payment recipient must:
 - a. Be a licensed child care facility within the state of North Dakota;

- 1 b. Be enrolled in the state's bright and early quality rating system at a two-star,
2 three-star, or four-star rating level; and
- 3 c. Provide care for children from birth through three years of age.
- 4 2. Eligible providers may receive up to \$300 per month for each child from birth through
5 seventeen months of age and up to \$180 per month for each child from eighteen
6 through thirty-six months of age.
- 7 3. The department shall distribute the direct payments on a quarterly basis. Direct
8 payments may not be used for non-child care-related expenses or debt repayment.
- 9 4. Direct payment recipients shall submit annual reports to the department detailing fund
10 usage, enrollment statistics, and other information requested by the department.
- 11 5. The department shall provide reports to the legislative management and to the
12 appropriations committees of the seventieth legislative assembly on direct payments
13 and the effectiveness of the program.

14 **SECTION 8. INTERMEDIATE CARE FACILITY MEDICALLY AND BEHAVIORALLY**

15 **COMPLEX SERVICES GRANT - APPLICATION.** Section 1 of this Act includes the sum of
16 \$4,400,000 of one-time funding from the community health trust fund for providing a
17 one-time grant to a licensed intermediate care facility in the south central human service
18 region for providing services to children or young adults with medically and behaviorally
19 complex conditions. To be eligible to receive the grant under this section, a licensed
20 intermediate care facility must provide early intervention, clinical, and residential
21 services, provide community and home support, education, recreation and leisure
22 activities, and assistive technology; and provide services in at least eight communities
23 for individuals with intellectual or developmental disabilities. The grant funds awarded
24 may be used only for the costs of providing services to children and young adults with
25 medically and behaviorally complex conditions. The requirements of chapter 54-44.4 do
26 not apply to the selection of a grant recipient, the grant award, or payments made under
27 this section.

28 **SECTION 9. SPECIAL HEALTH CARE NEEDS GRANT - APPLICATION.** Section 1
29 of this Act includes the sum of \$50,000 from the general fund for providing a grant to a
30 provider in the south central human service region for statewide education, information,
31 training, and peer support to families with children with special health care needs,

1 medically complex conditions, or a disability. The requirements of chapter 54-44.4 do
2 not apply to the selection of a grant recipient, the grant award, or payments made under
3 this section.

4 **SECTION 10. CRISIS SERVICES GRANTS - APPLICATION.** Section 1 of this Act includes
5 the sum of \$585,000 from the general fund for providing crisis services grants. The grants
6 include the sum of \$300,000 for crisis organizations that provide crisis services to young adults
7 who are at risk of being homeless or experiencing other serious adverse life events and the
8 sum of \$285,000 to a volunteer-based ecumenical ministry organization. The requirements of
9 chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments
10 made under this section.

11 **SECTION 11. MEDICAL HOUSING FOR INDIVIDUALS WITH EXTRAORDINARY**
12 **MEDICAL NEEDS - ONE-TIME FUNDING.**

- 13 1. Section 1 of this Act includes the sum of \$200,000 from the general fund for the
14 preliminary design consultation and project administration of developing housing for
15 individuals with disabilities that have extraordinary medical needs and for rent
16 subsidies for individuals residing in these housing facilities for the biennium beginning
17 July 1, 2025, and ending June 30, 2027.
- 18 2. The department of health and human services shall collaborate with the North Dakota
19 housing finance agency, individuals with disabilities, caregivers, and families to solicit
20 proposals for the development of accessible housing for individuals with disabilities
21 that have extraordinary medical needs, for the biennium beginning July 1, 2025, and
22 ending June 30, 2027. The department shall solicit proposals from public entities,
23 for-profit organizations, and nonprofit organizations to design, construct, maintain, and
24 operate the housing facility. Proposals must:
 - 25 a. Ensure that services in the facility may be provided separately from the facility
26 ownership interests;
 - 27 b. Ensure that individuals residing in the facility may choose among independent
28 living service providers; and
 - 29 c. Comply with the federal home and community-based settings rules as defined
30 under 42 CFR 441.301(c)(4).

SECTION 12. COMMUNITY CULTURAL CENTER GRANT - STRATEGIC INVESTMENT

AND IMPROVEMENTS FUND - APPLICATION. Section 1 of this Act includes the sum of ~~\$1,000,000~~ \$300,000 from the strategic investment and improvements fund for the purpose of providing a one-time community cultural center programming grant in the west central human service region. An entity may apply for a grant under this section if the entity certifies to the department ~~it has secured at least fifty percent of funds needed to complete the project, the project will be completed within two years of receiving the grant funds, and the grants funds will be used only for costs of constructing a~~ the funds will be used for programs within the community cultural center. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments made under this section.

SECTION 13. JUVENILE JUSTICE DIVERSION SERVICES AND PROGRAMS - TASK

FORCE - REPORT. Section 1 of this Act includes the sum of ~~\$750,000~~ \$500,000 of one-time funding from the ~~general~~ community health trust fund for juvenile justice diversion services and programs. The department of health and human services must use the funding for services to youth at risk of juvenile justice involvement but who have not committed delinquent acts as defined in chapter 27-20.4.

The department shall establish a task force with representation from divisions in the department, human service zones, the department of public instruction, elementary and secondary schools, and members of the legislative assembly, to review juvenile justice diversion services and program. The department shall report its findings and recommendations to the legislative management and children's cabinet.

~~**SECTION 9. ANIMAL SHELTER GRANT - COMMUNITY HEALTH TRUST FUND.**~~

~~Section 1 of this Act includes the sum of \$300,000 from the community health trust fund for a grant for the construction of an animal shelter. The department of health and human services may award a grant for the construction of an animal shelter to an organization that provides twenty dollars of nonstate matching funds for every dollar of grant funds received. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments made under this section.~~

~~**SECTION 10. STATEWIDE HEALTH STRATEGIES - COMMUNITY HEALTH TRUST**~~

~~**FUND.** Section 1 of this Act includes the sum of \$750,000 of one-time funding from the community health trust fund for the statewide health strategies initiative. The department of~~

~~health and human services may spend the funding upon securing dollar-for-dollar matching funds.~~

SECTION 14. OTHER FUNDS - INSURANCE TAX DISTRIBUTION FUND. The other funds line item in subdivision 5 of section 1 of this Act includes the sum of \$1,125,000 from the insurance tax distribution fund for rural emergency medical services grants.

SECTION 15. OTHER FUNDS - COMMUNITY HEALTH TRUST FUND. The other funds line items in section 1 of this Act includes the sum of ~~\$38,713,522~~ \$41,431,522 from the community health trust fund for the following purposes:

Loan repayment programs	\$594,500
Tobacco and vaping programs	11,599,698
<u>Tobacco prevention and control grants to local public health units</u>	<u>6,250,000</u>
<u>Tobacco prevention and control</u>	<u>4,549,698</u>
<u>Tobacco cessation grants</u>	<u>500,000</u>
<u>Youth vaping prevention grants</u>	<u>300,000</u>
Cancer and women's way programs	909,824
Behavior risk state survey	200,000
<u>Youth crisis stabilization</u>	<u>1,500,000</u>
<u>Intermediate care facility grant</u>	<u>4,400,000</u>
Domestic violence programs	4,250,000
Local public health grants	3,275,000
988 crisis hotline	1,867,500
Various information technology system upgrades	2,967,000
<u>Various information technology system upgrades</u>	<u>1,335,000</u>
Grants to rural ambulances	7,000,000
Law enforcement rural crisis support program	1,000,000
Development of partial hospitalization/intensive day treatment	2,000,000
<u>Juveline justice services</u>	<u>500,000</u>
Critical access hospital networking	2,000,000
<u>Critical access hospital networking</u>	<u>1,000,000</u>
Animal shelter grant	300,000

1	Statewide health strategies	750,000
2	Total	\$38,713,522
3	<u>Total</u>	<u>\$41,431,522</u>

4 **SECTION 16. OTHER FUNDS - HUMAN SERVICE FINANCE FUND.** The other funds line
5 items in section 1 of this Act includes the sum of ~~\$239,112,030~~\$242,112,030 from the human
6 service finance fund for state-paid economic assistance and social and human services.

7 **SECTION 17. OTHER FUNDS - OPIOID SETTLEMENT FUND.** The other funds line item in
8 section 1 of this Act includes the sum of \$8,000,000 from the opioid settlement fund for opioid
9 remediation and abatement efforts.

10 **SECTION 18. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

11 **FUND** The other funds line items in section 1 of this Act includes the sum of
12 ~~\$227,474,784~~\$18,446,784 from the strategic investment and improvements fund for the
13 following purposes:

14	Retiring technology from the mainframe	\$7,500,000
15	Move into the new state laboratory and purchase security equipment	2,962,304
16	Capital projects in human service centers and life skills and transition center	1,052,480
17	Housing initiative programs	1,000,000
18	Technology projects at the state hospital	1,000,000
19	New state hospital	200,000,000
20	Behavioral health facility grant	12,960,000
21	Community cultural center grant	1,000,000
22	Total	\$227,474,784
23	<u>Retiring technology from the mainframe</u>	<u>\$5,000,000</u>
24	<u>New state laboratory move-in costs and security equipment purchases</u>	<u>2,962,304</u>
25	<u>Capital projects in human service centers and life skills and transition center</u>	<u>1,684,480</u>
26	<u>Housing initiative programs</u>	<u>2,500,000</u>
27	<u>Technology projects at the state hospital</u>	<u>1,000,000</u>
28	<u>Behavioral health facility grant</u>	<u>5,000,000</u>
29	<u>Community cultural center grant</u>	<u>300,000</u>
30	<u>Total</u>	<u>\$18,446,784</u>

1 **SECTION 19. OTHER FUNDS - BANK OF NORTH DAKOTA LINE OF CREDIT - ~~STATE~~**
2 **~~HOSPITAL~~CHILD WELFARE TECHNOLOGY PROJECT.** The other funds line item in
3 subdivision 2 of section 1 of this Act includes ~~\$130,000,000~~the sum of \$8,411,218 from a Bank
4 of North Dakota line of credit. The department of health and human services may borrow up to
5 ~~\$130,000,000~~\$8,411,218 through a line of credit from the Bank of North Dakota during the
6 biennium beginning July 1, 2025, and ending June 30, 2027, for costs associated with ~~the~~
7 ~~construction of a new state hospital~~a child welfare technology project. The interest rate on the
8 line of credit may not exceed the prevailing interest rate charged to North Dakota governmental
9 entities. If the department accesses the line of credit, it shall request a deficiency appropriation
10 from the seventieth legislative assembly to repay the line of credit.

11 **SECTION 20. LABORATORY BUILDING STEERING COMMITTEE.** The department of
12 health and human services shall maintain the laboratory building steering committee to oversee
13 the design and construction of the laboratory building project, for the biennium beginning July 1,
14 2025, and ending June 30, 2027, or until work is completed, whichever occurs earlier. The
15 committee must include representation from the department of health and human services,
16 department of environmental quality, office of management and budget, the governor's office,
17 and the legislative assembly. The legislative assembly representation must include one member
18 of the senate appointed by the senate majority leader, one member of the house appointed by
19 the house majority leader, and one member of the minority party from either the senate or the
20 house appointed by the minority leaders of the senate and the house.

21 **SECTION 21. NEW STATE HOSPITAL - STEERING COMMITTEE.** The department of
22 health and human services shall establish a new state hospital facility steering committee to
23 oversee the design and construction of a new state hospital facility, for the biennium beginning
24 July 1, 2025, and ending June 30, 2027. The committee must include representation from the
25 department of health and human services, office of management and budget, the governor's
26 office, and the legislative assembly. The legislative assembly representation must include one
27 member of the senate appointed by the senate majority leader, one member of the house
28 appointed by the house majority leader, and one member of the minority party from either the
29 senate or the house appointed by the minority leaders of the senate and the house.

30 **SECTION 22. CAPITAL PAYMENTS.** During the biennium beginning July 1, 2025, and
31 ending June 30, 2027, the department of health and human services is authorized to expend

1 funds for the payment of special assessments at the state hospital, southeast human service
2 center, and life skills and transition center. Pursuant to section 3 of this Act, the director of the
3 office of management and budget may transfer appropriation authority between line items within
4 section 1 of this Act and any remaining appropriation authority for the department of health and
5 human services approved by the sixty-ninth legislative assembly. The department of health and
6 human services may transfer funds for the payment of special assessments at the state
7 hospital, southeast human service center, and life skills and transition center ahead of the
8 special needs assessments schedule. Notwithstanding section 54-27-12, the department of
9 health and human services may spend funds for the payment of special assessments at the
10 state hospital and life skills and transition center.

11 **SECTION 23. CAPITAL PROJECTS - EMERGENCY COMMISSION AND BUDGET**

12 **SECTION APPROVAL.** During the biennium beginning July 1, 2025, and ending June 30, 2027,
13 pursuant to section 3 of this Act, the director of the office of management and budget may
14 transfer appropriation authority between line items within section 1 of this Act and any remaining
15 appropriation authority for the department of health and human services approved by the sixty-
16 ninth legislative assembly for capital projects and maintenance pertaining to operation of its
17 facilities, including demolition projects. Notwithstanding section 54-27-12, the department of
18 health and human services may spend up to \$10,000,000 for capital projects and maintenance
19 pertaining to operation of its facilities, including demolition projects, under this section and may
20 seek emergency commission and budget section approval to spend more than \$10,000,000
21 under this section.

22 **SECTION 24. PERMANENT SUPPORTIVE HOUSING GRANTS.** Section 1 of this Act
23 includes the sum of \$4,672,536 from the general fund for permanent supportive housing grants.
24 The department of health and human services shall develop a funding methodology to distribute
25 the funding to qualified entities that utilize best practices for permanent supportive housing,
26 provide recovery-oriented and person-centered services, submit process and outcome
27 measures to the department of health and human services, and authorize the department of
28 health and human services to conduct onsite visits to review program operations.

29 **SECTION 25. EXPENDITURES MAY NOT EXCEED APPROPRIATION - MEDICAL**
30 **ASSISTANCE EXPANSION PROGRAM - APPLICATION.**

- 1 1. Section 1 of this Act includes the sum of \$662,099,340, of which \$66,209,934 is from
2 the general fund, for the medical assistance expansion program, for the biennium
3 beginning July 1, 2025, and ending June 30, 2027. The expenditures for individuals
4 eligible for the medical assistance expansion program may not exceed this amount.
- 5 2. The department of health and human services may exceed appropriations for
6 increases in medical assistance expansion program caseload, for the addition of
7 coverage consistent with the traditional Medicaid 1915(i) state plan, utilization rates,
8 and reduction in federal medical assistance percentage.
- 9 3. The managed care organization under contract with the department of health and
10 human services to manage the medical assistance expansion program shall reimburse
11 providers within the same provider type and specialty at consistent levels and with
12 consistent methodology and may not provide incentive, quality, or supplemental
13 payments to providers, unless part of a value-based program approved by the
14 department of health and human services. The managed care organization shall
15 reimburse all North Dakota substance use providers of American society of addiction
16 medicine level 2.5 at consistent levels and with consistent methodology. The managed
17 care organization may consider urban and rural providers as different provider types.
- 18 4. The managed care organization and the department of health and human services
19 shall ensure payments to Indian or Tribal 638 health care providers, federally qualified
20 health centers, and rural health clinics meet the federally required minimum levels of
21 reimbursement. Critical access hospitals may not be paid less than one hundred
22 percent of Medicare allowable costs and human service centers may not be paid less
23 than one hundred percent of the current traditional Medicaid rate. Behavioral health
24 services involving partial hospitalization, intensive outpatient, professional services,
25 and residential behavioral health services provided in facilities that are not institutions
26 for mental diseases are not subject to the provisions in subsection 6.
- 27 5. The department of health and human services shall ensure providers within the same
28 provider type and specialty are reimbursed at consistent levels and with consistent
29 methodology and shall ensure the capitation rates under risk contracts are actuarially
30 sound and are adequate to meet managed care organization contractual requirements

1 regarding availability of services, assurance or adequate capacity and services, and
2 coordination and continuity of care.

- 3 6. Except for the provisions in subsection 4, managed care organization premium
4 payments must be built using the assumption that rates paid to providers under the
5 medical assistance expansion program may not exceed one hundred forty-five percent
6 of Medicare reimbursement rates paid to providers on January 1, 2025.

7 **SECTION 26. HUMAN SERVICE CENTERS - CERTIFIED COMMUNITY BEHAVIORAL**

8 **HEALTH CLINICS - FULL-TIME EQUIVALENT POSITIONS - REPORT.** The department of
9 health and human services shall continue the process of the human service centers becoming a
10 certified community behavioral health clinic to provide continuous community-based behavioral
11 health services for children and adults. The department of health and human services shall
12 pursue additional federal funding as available. Subject to the availability of generated income,
13 the department of health and human services may add full-time equivalent positions for the
14 clinics to provide direct services for the period beginning with the effective date of this Act and
15 ending June 30, 2027. The department of health and human services shall report to the office of
16 management and budget and legislative council each time a position is added.

17 **SECTION 27. INTERMEDIATE CARE FACILITY MORATORIUM.** The department of health
18 and human services may not add any new licensed intermediate care facility for individuals with
19 intellectual disabilities beds to the state's licensed bed capacity between July 1, 2025, and
20 June 30, 2027.

21 **SECTION 28. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
22 appropriations are not subject to the provisions of section 54-44.1-11 and any unexpended
23 appropriation authority may be continued into the biennium beginning July 1, 2025, and ending
24 June 30, 2027:

- 25 1. The sum of \$3,674,757 appropriated from the general fund and the sum of
26 \$25,918,566 appropriated from federal funds for the Medicaid management
27 information system modularization technology project in chapter 12 of the 2021
28 Session Laws;
29 2. The sum of ~~\$14,411,218~~ \$6,000,000 appropriated from the general fund and the sum
30 of \$14,411,218 appropriated from federal funds for the child welfare technology project
31 in chapter 12 of the 2021 Session Laws;

- 1 3. The sum of \$20,366,271 appropriated from the community health trust fund and the
2 sum of \$39,534,525 appropriated from federal funds for the child support computer
3 replacement project in chapter 44 of the 2023 Session Laws;
- 4 4. The sum of \$10,989,217 appropriated from the strategic investment and
5 improvements fund for the procurement and grants management system in chapter 44
6 of the 2023 Session Laws;
- 7 5. The sum of \$4,150,000 appropriated from the general fund for defraying the expenses
8 of additional human service centers to begin the process of becoming a certified
9 community behavioral health clinic to provide continuous community-based behavioral
10 health services for children and adults in chapter 44 of the 2023 Session Laws;
- 11 6. The sum of \$18,941,847 appropriated to the department of health and human services
12 in chapter 549 of the 2021 Special Session Laws;
- 13 7. The sum of \$55,120,000 appropriated from the federal state fiscal recovery fund for a
14 public health laboratory capital project in chapter 4 of the 2023 Session Laws;
- 15 8. The sum of ~~\$5,000,000~~\$1,000,000 appropriated from the general fund for the purpose
16 of employer-led child care cost-share program in chapter 446 of the 2023 Session
17 Laws;
- 18 9. The sum of \$986,555 appropriated from the general fund for the purpose of
19 streamlining background checks project in chapter 446 of the 2023 Session Laws;
- 20 10. The sum of ~~\$2,223,984~~\$1,000,000 appropriated from the federal state fiscal recovery
21 fund for the implementation of a virtual behavioral health crisis care program for rural
22 law enforcement in chapter 44 of the 2023 Session Laws; and
- 23 11. The sum of \$500,000 appropriated from the general fund and the sum of \$500,000
24 appropriated from federal funds for the purpose of program integrity audits in
25 chapter 44 of the 2023 Session Laws.
- 26 12. The sum of \$1,950,000 appropriated from the general fund to the department of health
27 and human services for a northwest human service region behavioral health facility
28 grant in chapter 44 of the 2023 Session Laws.

29 **SECTION 29. LEGISLATIVE INTENT - UTILIZATION RATE ADJUSTMENT.** It is the intent
30 of the sixty-ninth legislative assembly that the department of health and human services seek a
31 deficiency appropriation from the seventieth legislative assembly for any expenditures that

1 exceed appropriated amounts as a result of underfunding, utilization rates, value-based
2 purchasing for nursing facilities, reduction in federal medical assistance percentage, and
3 unexpected contract cost increases that exceed ten percent, during the biennium beginning
4 July 1, 2025, and ending June 30, 2027, if funding is not sufficient to pay actual expenses.

5 **SECTION 30. LEGISLATIVE INTENT - PROVIDER RATE INCREASE.** Except as
6 otherwise noted, section 1 of this Act includes funding for human service provider inflation
7 increases of two percent for ~~each year~~the first year and one and one-half percent the second
8 year of the biennium beginning July 1, 2025, and ending June 30, 2027. The provider inflation
9 increase in this section does not apply to nursing facilities.

10 ~~**SECTION 29. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES PROVIDER**~~
11 ~~**ACCREDITATION REQUIREMENT.** It is the intent of the sixty-ninth legislative assembly that~~
12 ~~the department of health and human services eliminate its administrative rule requirement that~~
13 ~~providers of developmental disabilities services be accredited as a condition of being eligible for~~
14 ~~receiving payments for services from the department of health and human services.~~

15 **SECTION 31. LEGISLATIVE INTENT - MEDICAL ASSISTANCE.** It is the intent of the
16 sixty-ninth legislative assembly that the department of health and human services review the
17 amount, duration, coverage, utilization rates, medical necessity, and scope of medical
18 assistance services, and may implement any adjustments the department determines
19 appropriate.

20 **SECTION 32. FEDERAL FUNDING APPEAL LIMITATION.** Except as otherwise
21 specifically provided by federal law, a person may not appeal a denial, revocation, reduction in
22 services or payment, or the termination of a program or service by the department of health and
23 human services due to the unavailability of federal coronavirus funding received under federal
24 law resulting from the federal coronavirus pandemic emergency declarations, for the biennium
25 beginning July 1, 2025, and ending June 30, 2027.

26 **SECTION 33. DEPARTMENT OF HEALTH AND HUMAN SERVICES - LONG-TERM**
27 **STRUCTURED RESIDENCES PLAN - REPORT.** During the 2025-26 interim, the department of
28 health and human services shall review options and develop a plan to establish long-term
29 structured residences. The department shall review necessary changes to statutes, rules,
30 policies, and the estimated fiscal impact of establishing the residences. A long-term structured
31 residence must be a highly structured therapeutic residential mental health treatment facility

1 that is staffed continuously and designed to treat adults under chapters 12.1-04.1 and 25-03.1
2 who have severe and persistent mental illness and who have reached the maximum benefit
3 from the mental health resources available elsewhere in the community or hospital. The
4 department shall present a report to the legislative management by October 1, 2026, regarding
5 its plan to establish long-term structured residences.

6 **SECTION 34.** A new section to chapter 6-09 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Extraordinary medical needs housing loan fund - Continuing appropriation.**

- 9 1. The Bank of North Dakota shall administer a loan program to provide loans for new
10 construction projects to provide housing for individuals with disabilities that have
11 extraordinary medical needs. A construction project may include a land purchase and
12 the construction costs of the project. The applicant must comply with project
13 requirements as approved by the department of health and human services and the
14 North Dakota housing finance agency.
- 15 2. The extraordinary medical needs housing loan fund is a special fund maintained in the
16 state treasury from which the Bank shall provide loans under this section. The fund
17 consists of revenues transferred under legislative authorization, interest upon moneys
18 in the fund, and collections of interest and principal on loans made from the fund. All
19 moneys in the fund are appropriated on a continuing basis to the Bank for the purpose
20 of providing loans under this section.
- 21 3. The developer of the housing facility for individuals with disabilities that have
22 extraordinary medical needs may submit an application to the Bank for a loan. The
23 application must:
- 24 a. Provide detail on the proposed construction project and its compliance with the
25 department of health and human services and the North Dakota housing finance
26 agency requirements;
- 27 b. Demonstrate the need and long-term viability of the project; and
- 28 c. Include financial information the Bank determines appropriate to verify eligibility.
- 29 4. A loan approved under this section:
- 30 a. May not exceed three million three hundred thousand dollars for a project;
- 31 b. Must have an interest rate that does not exceed two percent; and

- 1 c. Must have a repayment schedule of no longer than twenty years.
- 2 5. A recipient of a loan under this section shall complete the financed construction project
- 3 within twenty-four months of the approval of the loan. Failure to comply with this
- 4 subsection may result in forfeiture of the entire loan received under this section.
- 5 6. The Bank shall deposit in the fund all principal and interest paid on the loans made
- 6 from the fund. The Bank may deduct from interest payments a service fee for costs of
- 7 administering the loan program. The fund must be audited annually pursuant to
- 8 section 6-09-29 and the cost of the audit and any other actual costs incurred by the
- 9 Bank on behalf of the fund must be paid from the fund.

10 **SECTION 35. AMENDMENT.** Section 50-06-06.6 of the North Dakota Century Code is

11 amended and reenacted as follows:

12 **50-06-06.6. Department may lease real and personal property.**

13 The commissioner of the department or commissioner's designee may lease ~~surplus farm-~~

14 ~~and pastureland at the state hospital and the life skills and transition center. The commissioner~~

15 ~~or designee also may enter into further leases of real or personal property at the life skills and~~

16 transition center or the state hospital upon a specific finding that the granting of each such

17 leasehold interest will result in a net economic gain for the department, taking into account all

18 identifiable costs. Any lease of space for the purpose of providing child care services must meet

19 requirements as determined by the department. The commissioner of the department or

20 commissioner's designee may prescribe the terms and conditions of any leases entered into

21 pursuant to this section and may renew existing leases. ~~Any~~The term of any lease entered into

22 ~~must be subject to renewal or cancelable each biennium~~may not exceed ninety-nine years.

23 **SECTION 36. AMENDMENT.** Section 50-06-42 of the North Dakota Century Code is

24 amended and reenacted as follows:

25 **50-06-42. Substance use disorder treatment voucher system - Mental health**

26 **treatment voucher system for incarcerated individuals.**

27 ~~4.~~ The department shall establish and administer, within the limits of legislative

28 appropriations, a voucher system to address underserved areas and gaps in the state's

29 substance abuse treatment system and to assist in the payment of addiction treatment services

30 and medical costs provided by licensed substance abuse treatment programs, excluding

1 regional human service centers and hospital- or medical clinic-based programs for medical
2 management of withdrawal.

3 ~~a.1.~~ An out-of-state licensed substance abuse treatment program located within a
4 bordering state may participate in the voucher program to serve an underserved area
5 of this state pursuant to the rules adopted by the department. The department shall
6 develop rules to include processes and requirements for an out-of-state provider to
7 receive reimbursement only for outpatient and community-based services upon a
8 provider completing an assessment of need and receiving approval from the
9 department.

10 ~~2.b.~~ Services eligible for the voucher program include only those levels of care recognized
11 by the American society of addiction medicine, with particular emphasis given to
12 underserved areas and programs. The department shall ensure that a licensed
13 substance abuse treatment program, hospital, and medical clinic program accepting
14 vouchers collects and reports process and outcome measures.

15 ~~3.e.~~ The department shall develop requirements and provide training and technical
16 assistance to a licensed substance abuse treatment program, hospital, and medical
17 clinic program accepting vouchers. A licensed substance abuse treatment program,
18 hospital, and medical clinic program accepting vouchers shall provide evidence-based
19 services.

20 ~~4.d.~~ The department shall allocate funding appropriated for the substance use disorder
21 treatment voucher as follows:

22 a. No

23 ~~(1)a.~~ Except as provided in paragraphs 3 and 4, no more than forty-five fifty percent of
24 the appropriated amount may be allocated for residential substance use disorder
25 services administered by licensed substance abuse treatment programs with
26 more than sixteen beds.

27 ~~b.(2)~~ The remaining appropriation must be allocated for residential programs with
28 sixteen or fewer beds, nonresidential outpatient, and ancillary substance use
29 disorder services administered by licensed substance abuse treatment programs.

1 ~~(3)c.~~ The department, during the last quarter of the biennium, may reallocate projected
2 unused funds that were allocated under paragraph 2 to residential facilities
3 outlined in paragraph 1.

4 ~~(4)d.~~ The department may reimburse a licensed substance abuse treatment program
5 with more than sixteen beds the incurred direct medical costs of an eligible
6 individual who does not have resources to cover the medical costs. The
7 department may develop rules and may not exceed the total amount
8 appropriated for medical cost reimbursement.

9 ~~2. The department shall establish and administer, within the limits of legislative~~
10 ~~appropriations, a voucher system to address underserved areas and gaps in the~~
11 ~~state's mental health treatment system for individuals detained or confined in a county~~
12 ~~jail or detention center or regional corrections center and to assist in the payment of~~
13 ~~mental health treatment services provided by a licensed mental health professional~~
14 ~~acting within their scope of practice, excluding a regional human service center.~~

15 ~~a. Services eligible for the voucher program include only diagnostic assessment~~
16 ~~and mental health therapy for individuals with a mental health concern detained~~
17 ~~or confined in a county jail or detention center or regional corrections center. The~~
18 ~~department shall ensure that a licensed mental health professional accepting~~
19 ~~vouchers collects and reports process and outcome measures.~~

20 ~~b. The department shall develop requirements and provide training and technical~~
21 ~~assistance to licensed mental health professionals accepting vouchers. A~~
22 ~~licensed mental health professional shall provide evidence-based services.~~

23 **SECTION 37. AMENDMENT.** Section 50-24.5-02.3 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **50-24.5-02.3. Basic care payment rates.**

- 26 1. The department shall determine limits for the care of residents of basic care facilities
27 that qualify as vendors of an aged, blind, and disabled persons program and for
28 implementing provisions of this chapter based on data demonstrating the most recent
29 costs that must be incurred for the care of residents in efficiently and economically
30 operated basic care facilities. The department shall determine the limits every four
31 years by July first, beginning with July 1, 2023.

2. The department shall establish the limits by using the median rates from the most recent data available. The direct care limit must be the median plus eighteen percent. The indirect care limit must be the median plus twelve percent.
3. For the rate year beginning July 1, 2023, the department shall increase rates and limits three and one-half percent for inflation. For the rate year beginning July 1, 2024, the department shall increase rates and limits three and one-half percent for inflation.
4. The department shall provide a rate increase in the amount of five dollars per day for the period beginning July 1, 2023, and ending June 30, ~~2025~~2027, after which the increase is not effective. This rate increase may not be included in any calculation of inflation increase.
5. Within the limits of legislative appropriations, the department shall establish an uncompensated care expense of three hundred sixty-five days.

SECTION 38. AMENDMENT. Section 50-33-05 of the North Dakota Century Code is amended and reenacted as follows:

50-33-05. State of residence.

Only child care assistance units physically residing within the boundaries of the state are eligible for child care assistance, unless the individual is employed by an early childhood program within the boundaries of the state and the individual has been approved for the state's child care assistance child care workforce benefit.

SECTION 39. AMENDMENT. Subsection 1 of section 50-36-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The committee is composed of:
 - a. One member of the North Dakota association of counties appointed by the chairman of the legislative management, who shall serve a term of two years.
 - b. One member of the North Dakota league of cities appointed by the chairman of the legislative management, who shall serve a term of two years.
 - c. One member of the North Dakota state association of city and county health officials appointed by the chairman of the legislative management, who shall serve a term of two years.
 - d. One member who represents the highway patrol appointed by the highway patrol superintendent, who shall serve a term of two years.

e. The executive director of the department's division of behavioral health.

f. ~~The managing director of the office of recovery reinvented.~~ One member in recovery appointed by the governor.

g. One member appointed by the governor who shall serve as a nonvoting member and as the presiding officer of the committee, who shall serve a term of two years.

SECTION 40. Subsection 6 of the new section to chapter 54-07 of the North Dakota Century Code, as created by section 1 of Senate Bill No. 2176, as approved by the sixty-ninth legislative assembly, is amended and reenacted as follows:

6. a. The office of the governor shall provide staffing and administrative services for the children's cabinet and coordinate with other designated working groups on children and family issues.

b. The governor or the governor's designee serving on the cabinet may appoint a representative to serve in that official's capacity at a meeting if the governor or governor's designee is unable to attend.

SECTION 41. HOUSING AVAILABILITY ASSESSMENT - COLLABORATION WITH HOUSING FINANCE AGENCY. The department of health and human services shall collaborate with the North Dakota housing finance agency and other appropriate stakeholders to assess the availability of housing for individuals requiring extraordinary health care support services, for the biennium beginning July 1, 2025, and ending June 30, 2027. Based on the results of the assessment, if necessary, the department shall develop a plan to expand access to housing providing the least restrictive environment for individuals requiring extraordinary health care support services.

SECTION 42. BEHAVIORAL HEALTH CLINICS, NORTH DAKOTA STATE HOSPITAL, AND LIFE SKILLS AND TRANSITION CENTER FUNDING. Section 1 of this Act includes funding for the behavioral health clinics, North Dakota state hospital, and life skills and transition center as follows:

1. Behavioral health clinics:

a. Salaries and wages	\$156,967,103 <u>\$177,840,942</u>
b. Operating and capital	64,131,965 <u>56,945,408</u>
c. Total	\$221,099,068 <u>\$234,786,350</u>

1	2.	State hospital:	
2	a.	Salaries and wages	\$68,775,551 <u>\$70,477,378</u>
3	b.	Operating and capital	350,880,155 <u>20,880,155</u>
4	c.	Total	\$419,655,706 <u>\$91,357,533</u>
5	3.	Life skills and transition center:	
6	a.	Salaries and wages	\$55,540,213 <u>\$56,284,356</u>
7	b.	Operating and capital	15,207,658 <u>15,207,658</u>
8	c.	Total	\$70,747,871 <u>\$71,492,014</u>

9 **SECTION 43. LEGISLATIVE MANAGEMENT STUDY - STUDENT TRUANCY AND**
10 **ABSENTEEISM.** The legislative management shall consider studying, during the 2025-26
11 interim, truancy and student absenteeism in kindergarten through grade twelve public schools.
12 The legislative management shall report its findings and recommendations, together with any
13 legislation necessary to implement its recommendations, to the seventieth legislative assembly.

14 **SECTION 44. LEGISLATIVE MANAGEMENT STUDY - OBESITY HEALTH**
15 **IMPLICATIONS.** The legislative management shall consider studying, during the 2025-26
16 interim, the health implications of obesity on the residents of the state and options to increase
17 access to prevention and treatments for obesity. If conducted, the study must review costs
18 associated with obesity including comorbidities, treatments available for obesity, obesity
19 diagnosis guidelines including use of body mass index compared with percentage of body fat,
20 and examining the difference between being an individual who is healthy and overweight as
21 compared to an obese individual. The legislative management shall report its findings and
22 recommendations, together with any legislation necessary to implement its recommendations,
23 to the seventieth legislative assembly.

24 **SECTION 45. LEGISLATIVE MANAGEMENT STUDY - MATERNAL HEALTH**
25 **SERVICES - ACCESS AND WORKFORCE.**
26 1. During the 2025-26 interim, the legislative management shall consider studying
27 access to maternal health services. The study must include:
28 a. Consideration of the availability of prenatal and childbirth services, including
29 provider shortages and service use.
30 b. Development of strategies to increase the number of obstetricians, family
31 doctors, and midwives providing maternal health services in this state.

- c. A review of coverage and reimbursement for doulas and midwives, including training and certification needs.
- d. Consideration of insurance and public policy options to improve maternal health outcomes, including through the Medicaid program.
- e. Input from health care providers, insurers, public health officials, and maternal health experts.

2. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement its recommendations, to the seventieth legislative assembly.

SECTION 46. LEGISLATIVE INTENT - LIFE SKILLS AND TRANSITION CENTER. It is the intent of the sixty-ninth legislative assembly that during the 2025-26 interim, the department of health and human services review the facilities and land at the life skills and transition center to identify the portions of the life skills and transition center campus that are necessary for delivery of services and the portions of the campus that could be conveyed to a local government or related public or not-for-profit community development entity to redevelop to optimize local community development goals and the successful operation of the life skills and transition center. It is further the intent of the legislative assembly that the department of health and human services present any request to convey any portions of the campus to the seventieth legislative assembly.

SECTION 47. DISABILITY SERVICE ACCREDITATION STUDY - LEGISLATIVE MANAGEMENT REPORT. During the 2025-26 interim, the department of health and human services shall study accreditation requirements and provider costs for serving individuals with intellectual and developmental disabilities, including the cost of accreditation relative to the cost of providing services and reimbursement. The department shall report its findings and recommendations, together with any legislation necessary to implement recommendations to the legislative management by September 1, 2026.

SECTION 48. VALUE-BASED CARE INCENTIVE PROGRAM - PAYMENT WITHHOLD FOR NURSING FACILITIES - COLLABORATION WITH NORTH DAKOTA LONG TERM CARE ASSOCIATION. During the 2025-26 interim, the department of health and human services, in collaboration with the North Dakota long term care association, shall develop a payment withhold structure for value-based payments to provide funding for the value-based

1 care incentive program for nursing facilities. The department shall implement the payment
2 withhold beginning July 1, 2027. The department may not implement a payment withhold before
3 July 1, 2027.

4 **SECTION 49. LEGISLATIVE MANAGEMENT STUDY- DISABILITY SERVICES.**

- 5 1. During the 2025-26 interim, the legislative management shall study the efficiency,
6 effectiveness, and outcomes of developmental disability services provided by the
7 department of health and human services. The study must include:
- 8 a. A review of the approval process, an analysis of accountability measures, an
9 assessment of gaps in services, and an evaluation of overall program
10 management.
 - 11 b. An assessment of whether the department is effectively managing cases and
12 complying with federal law in the provision of support and services to individuals
13 with disabilities.
 - 14 c. Input from advocates, clients from the disability community, zone directors,
15 service providers, and health care providers who serve individuals with
16 disabilities.
 - 17 d. Collaboration with the cross-disability advisory council.
- 18 2. The legislative council may contract with a consultant with expertise in the provision of
19 developmental disability services to assist in the study.
- 20 3. The legislative management shall report its findings and recommendations, together
21 with any legislation necessary to implement its recommendations, to the seventieth
22 legislative assembly.

23 **SECTION 50. APPROPRIATION - COMMUNITY HEALTH TRUST FUND - LEGISLATIVE**
24 **COUNCIL - DISABILITY SERVICES - ONE-TIME FUNDING.** There is appropriated out of any
25 moneys in the community health trust fund, not otherwise appropriated, the sum of \$150,000, or
26 so much of the sum as may be necessary, to the legislative council for the purpose of
27 contracting for consulting services for a disability services study, for the biennium beginning
28 July 1, 2025, and ending June 30, 2027. The appropriation provided in this section is
29 considered a one-time funding item.

30 **SECTION 51. LEGISLATIVE MANAGEMENT REPORT - BEHAVIORAL HEALTH**
31 **FACILITY GRANTS.** During the 2025-26 interim the department of health and human services

1 shall provide reports to the legislative management regarding the award of grant funding to
2 increase the number of behavioral health beds in the state.

3 **SECTION 52. EFFECTIVE DATE.** Section ~~33~~36 of this Act becomes effective on July 1,
4 2026.

5 **SECTION 53. EFFECTIVE DATE.** Section 7 of this Act becomes effective on January 1,
6 2026.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1012 - Summary of Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Department of Health and Human Services				
Total all funds	\$0	\$596,284,775	\$23,692,691	\$619,977,466
Less estimated income	0	286,720,150	4,728,962	291,449,112
General fund	\$0	\$309,564,625	\$18,963,729	\$328,528,354
FTE	0.00	2,688.35	0.00	2,688.35
DHHS - Business Operations				
Total all funds	\$192,993,318	\$97,063,631	\$0	\$97,063,631
Less estimated income	118,894,310	47,368,089	0	47,368,089
General fund	\$74,099,008	\$49,695,542	\$0	\$49,695,542
FTE	114.40	0.00	0.00	0.00
DHHS - Behavioral Health				
Total all funds	\$421,861,349	\$580,920,603	(\$342,268,302)	\$238,652,301
Less estimated income	113,955,941	399,223,478	(332,328,000)	66,895,478
General fund	\$307,905,408	\$181,697,125	(\$9,940,302)	\$171,756,823
FTE	1,054.27	0.00	0.00	0.00
DHHS - Human Services				
Total all funds	\$1,863,859,882	\$1,882,984,555	(\$25,451,245)	\$1,857,533,310
Less estimated income	1,240,409,529	1,226,448,044	(10,127,449)	1,216,320,595
General fund	\$623,450,353	\$656,536,511	(\$15,323,796)	\$641,212,715
FTE	1,009.16	0.00	0.00	0.00
DHHS - Medical Services				
Total all funds	\$2,776,246,128	\$2,855,909,613	(\$15,620,504)	\$2,840,289,109
Less estimated income	1,818,029,530	1,810,657,071	(1,436,598)	1,809,220,473
General fund	\$958,216,598	\$1,045,252,542	(\$14,183,906)	\$1,031,068,636
FTE	90.50	0.00	0.00	0.00
DHHS - Public Health				
Total all funds	\$298,196,870	\$265,019,251	(\$66,038,400)	\$198,980,851
Less estimated income	250,440,690	229,814,403	(62,694,583)	167,119,820
General fund	\$47,756,180	\$35,204,848	(\$3,343,817)	\$31,861,031
FTE	215.50	0.00	0.00	0.00
Legislative Council				
Total all funds	\$0	\$0	\$150,000	\$150,000
Less estimated income	0	0	150,000	150,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$5,553,157,547	\$6,278,182,428	(\$425,535,760)	\$5,852,646,668
Less estimated income	3,541,730,000	4,000,231,235	(401,707,668)	3,598,523,567
General fund	\$2,011,427,547	\$2,277,951,193	(\$23,828,092)	\$2,254,123,101
FTE	2,483.83	2,688.35	0.00	2,688.35

House Bill No. 1012 - Legislative Council - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Disability services study			\$150,000	\$150,000
Total all funds	\$0	\$0	\$150,000	\$150,000
Less estimated income	0	0	150,000	150,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 160 - Legislative Council - Detail of Senate Changes

	Adds Funding for Disability Services Study¹	Total Senate Changes
Disability services study	\$150,000	\$150,000
Total all funds	\$150,000	\$150,000
Less estimated income	150,000	150,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding is added from the community health trust fund for consulting services for a Legislative Management study of disability services provided by the Department of Health and Human Services.

House Bill No. 1012 - Department of Health and Human Services - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages block grant		\$596,284,775	\$23,692,691	\$619,977,466
Total all funds	\$0	\$596,284,775	\$23,692,691	\$619,977,466
Less estimated income	0	286,720,150	4,728,962	291,449,112
General fund	\$0	\$309,564,625	\$18,963,729	\$328,528,354
FTE	0.00	2,688.35	0.00	2,688.35

Department 325 - Department of Health and Human Services - Detail of Senate Changes

	Adjusts Funding for Salaries and Wages Block Grant¹	Total Senate Changes
Salaries and wages block grant	\$23,692,691	\$23,692,691
Total all funds	\$23,692,691	\$23,692,691
Less estimated income	4,728,962	4,728,962
General fund	\$18,963,729	\$18,963,729
FTE	0.00	2,688.35

¹ Funding for the salaries and wages block grant is adjusted as follows:

Description	FTE	General Fund	Other Funds	Total
Adds funding to reduce underfunding		\$18,963,729	\$0	\$18,963,729
Adds salary funding from operating fund		0	4,728,962	4,728,962
Total changes to salaries and wages block grant	0.00	\$18,963,729	\$4,728,962	\$23,692,691

House Bill No. 1012 - DHHS - Business Operations - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$25,763,358			
Operating expenses	155,308,399	\$78,284,629		\$78,284,629
Capital assets	108,934			
Grants	11,812,627	18,779,002		18,779,002
Total all funds	\$192,993,318	\$97,063,631	\$0	\$97,063,631
Less estimated income	118,894,310	47,368,089	0	47,368,089
General fund	\$74,099,008	\$49,695,542	\$0	\$49,695,542
FTE	114.40	0.00	0.00	0.00

House Bill No. 1012 - DHHS - Behavioral Health - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$8,792,675			
Operating expenses	79,381,458	\$103,269,596	(\$98,478)	\$103,171,118
Grants	40,476,298	62,365,620	(12,710,000)	49,655,620
Behavioral health clinics	196,383,945	56,405,232	540,176	56,945,408
State Hospital	94,826,973	350,880,155	(330,000,000)	20,880,155
Opioid addiction prevention	2,000,000	8,000,000		8,000,000
Total all funds	\$421,861,349	\$580,920,603	(\$342,268,302)	\$238,652,301
Less estimated income	113,955,941	399,223,478	(332,328,000)	66,895,478
General fund	\$307,905,408	\$181,697,125	(\$9,940,302)	\$171,756,823
FTE	1,054.27	0.00	0.00	0.00

Department 327 - DHHS - Behavioral Health - Detail of Senate Changes

	Adjusts Funding for Behavioral Health Division¹	Total Senate Changes
Salaries and wages		
Operating expenses	(\$98,478)	(\$98,478)
Grants	(12,710,000)	(12,710,000)
Behavioral health clinics	540,176	540,176
State Hospital	(330,000,000)	(330,000,000)
Opioid addiction prevention		
Total all funds	(\$342,268,302)	(\$342,268,302)
Less estimated income	(332,328,000)	(332,328,000)
General fund	(\$9,940,302)	(\$9,940,302)
FTE	0.00	0.00

¹ Funding for the behavioral health division is adjusted as follows:

<u>Description</u>	<u>FTE</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Reduces funding for SUD for medical expenses in institutions for mental disease facilities to \$250,000.		(\$250,000)	\$0	(\$250,000)
Removes SUD funding added by the House for treatment for incarcerated individuals		(2,500,000)	0	(2,500,000)
Provides funding for youth crisis stabilization pilot project		0	3,000,000	3,000,000
Reduces funding added by the House to expand the community connect program to provide an increase of \$3,500,000		(958,814)	0	(958,814)
Reduces funding added by the House to expand the free through recovery program to provide an increase of \$2 million		(2,016,908)	0	(2,016,908)
Removes funding added by the House for behavioral health services in nursing homes and basic care facilities		(2,000,000)	0	(2,000,000)
Adjusts funding to reflect increased revenue from the certified community behavioral health clinics		(2,000,000)	2,000,000	0
Adjusts the annual provider inflation increase to 2% and 1.5%.		(214,580)	0	(214,580)
Total ongoing changes		(\$9,940,302)	\$5,000,000	(\$4,940,302)
One-time funding items:				
Adds funding to remodel bathrooms at the Southeast human service center.		\$0	\$632,000	\$632,000
Removes funding to construct a new state hospital.		0	(330,000,000)	(330,000,000)
Reduces funding added by the House for a grant to a behavioral health facility in the Northeast human service region to provide a total of \$5 million		0	(7,960,000)	(7,960,000)
Total one-time funding changes		\$0	(\$337,328,000)	(\$337,328,000)
Total Senate changes		(\$9,940,302)	(\$332,328,000)	(\$342,268,302)

House Bill No. 1012 - DHHS - Human Services - Senate Action

	<u>Base Budget</u>	<u>House Version</u>	<u>Senate Changes</u>	<u>Senate Version</u>
Salaries and wages	\$168,325,918			
Operating expenses	88,885,469	\$197,143,705	\$1,691,870	\$198,835,575
Capital assets	10,000	10,000		10,000
Grants	621,189,007	715,582,267	(27,143,115)	688,439,152
Life Skills and Transition Center	44,992,263	15,207,658		15,207,658
Grants - Medical assistance	742,793,564	750,448,643		750,448,643
County social services	197,663,661	204,592,282		204,592,282
Total all funds	\$1,863,859,882	\$1,882,984,555	(\$25,451,245)	\$1,857,533,310
Less estimated income	1,240,409,529	1,226,448,044	(10,127,449)	1,216,320,595
General fund	\$623,450,353	\$656,536,511	(\$15,323,796)	\$641,212,715
FTE	1,009.16	0.00	0.00	0.00

Department 328 - DHHS - Human Services - Detail of Senate Changes

	Adjusts Funding for Human Services Division¹	Total Senate Changes
Salaries and wages		
Operating expenses	\$1,691,870	\$1,691,870
Capital assets		
Grants	(27,143,115)	(27,143,115)
Life Skills and Transition Center		
Grants - Medical assistance		
County social services		
Total all funds	(\$25,451,245)	(\$25,451,245)
Less estimated income	(10,127,449)	(10,127,449)
General fund	(\$15,323,796)	(\$15,323,796)
FTE	0.00	0.00

¹ Funding for the human services division is adjusted as follows:

Description	FTE	General Fund	Other Funds	Total
Increases estimated FMAP percentage by 1%		(\$1,962,900)	\$1,962,900	\$0
Adjusts the annual provider inflation increase to 2% and 1.5%.		(1,105,805)	(1,201,567)	(2,307,372)
Removes guardianship services (Funding provided in Senate Bill No. 2029)		(6,532,355)	0	(6,532,355)
Removes funding for the Waterford program		(2,400,000)	0	(2,400,000)
Adjusts foster care case load projections		(9,000,000)	(9,000,000)	(18,000,000)
Adjusts funding for low income home energy assistance program		0	(9,000,000)	(9,000,000)
Provides funding for Ministry on the Margins		285,000	0	285,000
Provides funding for Fraser LTD		300,000	0	300,000
Total ongoing funding changes		(\$20,416,060)	(\$17,238,667)	(\$37,654,727)
One-time funding items:				
Provides funding to implement a comprehensive vocational rehab technology system to connect people with disabilities to employment.		\$0	(\$7,000,000)	(\$7,000,000)
Reduces funding to expand the best in class program to provide for a \$2 million increase		(4,000,000)	0	(4,000,000)
Adds funding for housing assistance for people at risk of instability		0	1,000,000	1,000,000
Adds funding for eviction prevention program		0	500,000	500,000
Reduces funding for a community cultural center grant		0	(700,000)	(700,000)
Removes funding for a winter park adaptive grant		(200,000)	0	(200,000)
Adjusts funding for an intermediate care facility grant		(3,457,736)	4,400,000	942,264
Adjusts funding for juvenile justice diversion services.		(750,000)	500,000	(250,000)
Provides funding for infant and toddler care		13,500,000	0	13,500,000
Provides funding from a Bank of North Dakota line of credit for a child welfare technology project.		0	8,411,218	8,411,218
Total one-time funding changes		\$5,092,264	\$7,111,218	\$12,203,482
Total Senate changes		(\$15,323,796)	(\$10,127,449)	(\$25,451,245)

House Bill No. 1012 - DHHS - Medical Services - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$21,008,344			
Operating expenses	70,807,977	\$163,172,539		\$163,172,539
Grants	1,651,004	3,457,804	(\$800,000)	2,657,804
Grants - Medical assistance	2,682,778,803	2,689,279,270	(14,820,504)	2,674,458,766
Total all funds	\$2,776,246,128	\$2,855,909,613	(\$15,620,504)	\$2,840,289,109
Less estimated income	1,818,029,530	1,810,657,071	(1,436,598)	1,809,220,473
General fund	\$958,216,598	\$1,045,252,542	(\$14,183,906)	\$1,031,068,636
FTE	90.50	0.00	0.00	0.00

Department 329 - DHHS - Medical Services - Detail of Senate Changes

	Adjusts Funding for Medical Services Division ¹	Total Senate Changes
Salaries and wages		
Operating expenses		
Grants	(\$800,000)	(\$800,000)
Grants - Medical assistance	(14,820,504)	(14,820,504)
Total all funds	(\$15,620,504)	(\$15,620,504)
Less estimated income	(1,436,598)	(1,436,598)
General fund	(\$14,183,906)	(\$14,183,906)
FTE	0.00	0.00

¹ Funding for the medical services division is adjusted as follows:

Description	FTE	General Fund	Other Funds	Total
Long-term care:				
Transfers basic care \$5 daily rate to one-time funding		(\$4,067,056)	(\$1,474,184)	(\$5,541,240)
Medicaid:				
Provides funding to rebase ambulance rates to the lowest quartile Medicare rural base rate.		(\$1,189,770)	(\$1,189,770)	(\$2,379,540)
Adjusts Medicaid case load projections		(4,000,000)	(4,000,000)	(8,000,000)
Reduces 1915(i) case load projections		(1,000,000)	(1,000,000)	(2,000,000)
Increases estimated FMAP percentage by 1%		(7,037,100)	7,037,100	0
Adjusts the annual provider inflation increase to 2% and 1.5%.		(1,157,036)	(1,283,928)	(2,440,964)
Total ongoing funding changes		(\$18,450,962)	(\$1,910,782)	(\$20,361,744)
One-time funding items:				
Removes funding for a critical access hospital networking grant.		\$0	(\$1,000,000)	(\$1,000,000)
Transfers basic care \$5 daily rate from ongoing funding		4,067,056	1,474,184	5,541,240
Provides funding for costs associated with housing for individuals with extraordinary medical needs		<u>200,000</u>	<u>0</u>	<u>200,000</u>
Total one-time funding changes		<u>\$4,267,056</u>	<u>\$474,184</u>	<u>\$4,741,240</u>
Total Senate changes		(\$14,183,906)	(\$1,436,598)	(\$15,620,504)

House Bill No. 1012 - DHHS - Public Health - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$60,415,388			
Operating expenses	37,721,213	\$55,574,882	(\$49,287,739)	\$6,287,143
Capital assets	1,469,780	3,685,618	(928,000)	2,757,618
Grants	81,718,145	85,963,641	(15,822,661)	70,140,980
Tobacco prevention	13,063,162	13,040,555		13,040,555
WIC food payments	19,900,000	21,000,000		21,000,000
COVID-19 response	83,909,182	85,754,555		85,754,555
Total all funds	\$298,196,870	\$265,019,251	(\$66,038,400)	\$198,980,851
Less estimated income	250,440,690	229,814,403	(62,694,583)	167,119,820
General fund	\$47,756,180	\$35,204,848	(\$3,343,817)	\$31,861,031
FTE	215.50	0.00	0.00	0.00

Department 330 - DHHS - Public Health - Detail of Senate Changes

	Adjusts Funding for Public Health Division¹	Total Senate Changes
Salaries and wages		
Operating expenses	(\$49,287,739)	(\$49,287,739)
Capital assets	(928,000)	(928,000)
Grants	(15,822,661)	(15,822,661)
Tobacco prevention		
WIC food payments		
COVID-19 response		
Total all funds	(\$66,038,400)	(\$66,038,400)
Less estimated income	(62,694,583)	(62,694,583)
General fund	(\$3,343,817)	(\$3,343,817)
FTE	0.00	0.00

¹ Funding for the public health division is adjusted as follows:

<u>Description</u>	<u>FTE</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Reduces additional funding added by the House for domestic and sexual violence.		(\$1,700,000)	\$0	(\$1,700,000)
Removes funding added by the House for the Safe Haven program		(440,000)	0	(440,000)
Removes funding added by the House for vaccines for healthcare providers off federal contract.		0	(2,213,930)	(2,213,930)
Reduces funding added by the House for forensic pathology contract services with UND to provide an increase of \$1 million.		(866,156)	0	(866,156)
Reduces funding added by the House for a grant to the Family Voices program to provide an increase of \$50,000		(50,000)	0	(50,000)
Reduces funding added by the House for a fetal alcohol spectrum disorder clinic at UND to provide \$350,000.		(287,661)	0	(287,661)
Reduces federal CARES ACT/COVID funding		0	(60,716,583)	(60,716,583)
Total ongoing changes		(\$3,343,817)	(\$62,930,513)	(\$66,274,330)
One-time funding items:				
Removes funding added by the House to purchase a forensic examiner electronic records system.		\$0	(\$278,000)	(\$278,000)
Removes funding added by the House for licensure management system.		0	(650,000)	(650,000)
Removes funding added by the House for a Cass County animal shelter grant		0	(300,000)	(300,000)
Removes funding added by the House for the Statewide health strategies grant.		0	(750,000)	(750,000)
Provides funding from the public health lab fund for public health data modernization.		0	2,213,930	2,213,930
Total one-time funding changes		\$0	\$235,930	\$235,930
Total Senate changes		(\$3,343,817)	(\$62,694,583)	(\$66,038,400)

House Bill No. 1012 - Other Changes - Senate Action

This amendment also:

- Adds sections to provide guidelines regarding the use of funding for infant and toddler care provider payments, intermediate care facility medically and behaviorally complex services grants, special health care needs grants, crisis services grants, and medical housing for individuals with extraordinary medical needs.
- Adjusts sections identifying funding from the strategic investment and improvements fund and community health trust fund.
- Removes sections identifying funding for an animal shelter grant and statewide health strategies.
- Removes a Bank of North Dakota line of credit for a new State Hospital project and adds a Bank of North Dakota line of credit for a child welfare technology project.
- Adjusts the membership of the new State Hospital steering committee to include representatives of DHHS, the Office of Management and Budget, Governor's office, and the Legislative Assembly.
- Adjusts various exemptions to allow the continuation of unexpended appropriation authority into the 2025-27 biennium. These adjustments will increase the July 1, 2025, general fund balance by \$12,411,218.
- Removes a section to provide legislative intent that DHHS eliminate its administrative rule requirement that providers of developmental disabilities services be accredited as a condition to receive payments for services.
- Creates a new section to Chapter 6-09 to create an extraordinary medical needs housing loan fund and to provide guidelines regarding the use of the loan fund.
- Amends Section 50-36-03 relating to the membership of the opioid advisory committee.
- Amends provisions relating to the Children's Cabinet as approved in Senate Bill No. 2176.
- Provides for a Legislative Management study of maternal health services.
- Provides legislative intent that DHHS review the utilization of the Life Skills and Transition Center campus to determine if any portions of the campus can be conveyed for use by community organizations.
- Provides for DHHS to study developmental disability service provider accreditation.
- Provides for DHHS to develop a payment structure to provide funding for a value-based care incentive program for nursing facilities.

- Provides for a Legislative Management study of developmental disability services provided by DHHS and provides an appropriation of \$150,000 to the Legislative Council for consultant services for the study.