

**2025 HOUSE HUMAN SERVICES**

**HB 1066**

# 2025 HOUSE STANDING COMMITTEE MINUTES

## HUMAN SERVICES COMMITTEE PIONEER ROOM, STATE CAPITOL

HB 1066  
1/8/2025

Relating to the minimum wage paid by the department of health and human services under the senior community service employment program
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10:00 a.m. Chairman M. Ruby called the meeting to order.

Members present: Chairman M. Ruby, Vice Chairman Frelich, Representatives Anderson, Beltz, Bolinske, Dobervich, Fegley, Hendrix, Holle, Kiefert, Rios, Rohr

Members absent: Representative Davis

### **Discussion Topics:**

- New section of chapter 50-06.1 of the North Dakota Century Code
- Minimum wages

10:00 a.m. Jim Fleming - Interim Director Vocational Rehabilitation, testified in favor of and submitted testimony #28175.

10:18 a.m. Chairman M. Ruby closed the hearing.

*Jackson Toman, Committee Clerk*

**Testimony**  
**House Bill No. 1066**  
**House Human Services Committee**  
**Representative Matthew Ruby, Chairman**  
January 8, 2025

Chairman Ruby and members of the House Human Services Committee, I am Jim Fleming, Interim Director of the Vocational Rehabilitation Section of the Department of Health and Human Services (Department). I appear before you in support of House Bill No. 1066, which was introduced at the request of the Department.

North Dakota receives \$7.8 million dollars per year under the Older Americans Act. To receive these funds, federal regulations require North Dakota to operate the Senior Community Service Employment Program (SCSEP). SCSEP is a training program for individuals over 55 years of age who have been unemployed for at least six months (or no longer able to perform their current job) and with income less than 125% of the federal poverty level. The training program encourages participants to return to the workforce. The Department receives \$480,000 per year in federal funds to operate SCSEP.

Under federal regulations, SCSEP participants must be paid minimum wage, which in North Dakota is currently the federal minimum wage. For low-income unemployed individuals over 55, the training program at \$7.25 per hour currently holds little appeal compared to prevailing entry-level wages of roughly \$20 per hour. Thus, although North Dakota is authorized to have 49 participants in SCSEP, the current average is 20-25 participants, and of those, some work very few hours per week.

The difficulty in recruiting SCSEP participants negatively impacts the state because the allowable cost of administering SCSEP is limited to 13.5% of total expenditures. In other words, the fewer SCSEP participants and less training hours paid by the Department, the lower the 13.5% cap on using federal funds for administrative costs. Excess costs are borne at state expense, while at the same time a significant amount of the \$480,000 in federal funds goes unused and is refunded to the federal government.

States with a higher programmatic minimum wage are better able to fully use federal SCSEP funds because the amount paid for training is closer to entry-level wages. In those states, participation rates are higher and more hours are worked.

If enacted, House Bill No. 1066 will create a state programmatic minimum wage that is limited to SCSEP participants. The Department is not asking for additional funds to operate SCSEP. To the contrary, House Bill No. 1066 will save the state money because it will reduce the risk of the state needing to pay a share of the costs of administering SCSEP. By increasing the rate of pay for SCSEP training, the Department anticipates an increase in the number of participants, which will lead to an increase in training paid by the Department out of the federal funds and a corresponding increase in the 13.5% cap on administrative costs that will come closer to covering the costs of the three temporary SCSEP coordinators who administer the program. If House Bill No. 1066 is not enacted, the state will continue to cover a portion of the costs of administering SCSEP.

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Human Services Committee Pioneer Room, State Capitol

HB 1066  
1/22/2025

Relating to the minimum wage paid by the department of health and human services under the senior community service employment program.

2:49 p.m. Chairman M. Ruby opened the meeting.

Members Present: Chairman Ruby, Vice-Chairman Frelich, Representatives Anderson, Beltz, Bolinske, Davis, Dobervich, Fegley, Hendrix, Holle, Kiefert, Rios, Rohr

### Discussion Topics:

- Committee action

2:51 p.m. Representative Frelich moved to adopt amendment LC #258080.01001.

2:51 p.m. Representative Dobervich seconded the motion.

2:52 p.m. Voice Vote - motion passed.

2:54 p.m. Representative Beltz moved a Do Pass as Amended.

2:54 p.m. Representative Anderson seconded the motion.

Representatives	Vote
Representative Matthew Ruby	Y
Representative Kathy Frelich	Y
Representative Karen Anderson	Y
Representative Mike Beltz	Y
Representative Macy Bolinske	Y
Representative Jayme Davis	Y
Representative Gretchen Dobervich	Y
Representative Cleyton Fegley	Y
Representative Jared Hendrix	Y
Representative Dawson Holle	Y
Representative Dwight Kiefert	Y
Representative Nico Rios	Y
Representative Karen Rohr	N

2:57 p.m. Motion passed 12-1-0.

Representative Holle will carry the bill.

2:58 p.m. Chairman M. Ruby closed the meeting.

*Jackson Toman, Committee Clerk*

January 22, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO**



**HOUSE BILL NO. 1066**

Introduced by

Human Services Committee

(At the request of the Department of Health and Human Services)

1 A BILL for an Act to create and enact a new section to chapter 50-06.1 of the North Dakota  
2 Century Code, relating to ~~minimum-wage~~the rate paid by the department of health and human  
3 services under the senior community service employment program.

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

5 **SECTION 1.** A new section to chapter 50-06.1 of the North Dakota Century Code is created  
6 and enacted as follows:

7 **Senior community service employment program - ~~Minimum-wage~~Compensation rate.**

8 The ~~minimum~~-hourly ~~wage~~rate of compensation for individuals paid by the department  
9 under the senior community service employment program is twelve dollars or the amount  
10 established by the department by administrative rule, within the limits of legislative  
11 appropriation.

**REPORT OF STANDING COMMITTEE  
HB 1066**

**Human Services Committee (Rep. M. Ruby, Chairman)** recommends **AMENDMENTS** ([25.8080.01001](#)) and when so amended, recommends **DO PASS** (12 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1066 was placed on the Sixth order on the calendar.

**2025 HOUSE APPROPRIATIONS**

**HB 1066**



# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee Roughrider Room, State Capitol

HB 1066  
2/6/2025

A BILL for an Act to create and enact a new section to chapter 50-06.1 of the North Dakota Century Code, relating to the compensation rate paid by the department of health and human services under the senior community service employment program.

10:03 a.m. Chairman Vigesaa called the meeting to order.

Members Present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

### Discussion Topics:

- Public Health Employees
- Health and Human Resources
- Compensation for Employees

10:04 a.m. Representative M. Ruby, North Dakota Legislature, introduced the Bill.

10:09 a.m. Representative Murphy moved for Do Pass.

10:09 a.m. Representative Pyle seconded the motion.

10:11 a.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	A
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	A
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y

Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

10:11 a.m. Motion passed 21-0-2.

10:13 a.m. Representative Holle will carry.

10:13 a.m. Chairman Vigesaa closed the meeting.

*Sierra Schartz, Committee Clerk*

**REPORT OF STANDING COMMITTEE  
ENGROSSED HB 1066 ([25.8080.02000](#))**

**Appropriations Committee (Rep. Vigesaa, Chairman)** recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1066 was placed on the Eleventh order on the calendar.

**2025 SENATE HUMAN SERVICES**

**HB 1066**

# 2025 SENATE STANDING COMMITTEE MINUTES

## Human Services Committee Fort Lincoln Room, State Capitol

HB 1066  
2/17/2025

Relating to the compensation rate paid by the department of health and human services under the senior community service employment program.

2:34 p.m. Chairman Lee opened the hearing.

Members Present: Chairman Lee, Vice-Chairman Weston, Senator Van Oosting, Senator Clemens, Senator Hogan, Senator Roers.

### Discussion Topics:

- Number of participants
- Minimum wage rate
- Total qualified applicants

2:34 p.m. James Fleming, Interim Director, Vocational Rehabilitation Section of the Department of Health and Human Services, testified in favor and submitted testimony #37738.

2:52 p.m. Senator Roers moved Do Pass and Rerefer to Appropriations.

2:52 p.m. Senator Van Oosting seconded the motion.

Senators	Vote
Senator Judy Lee	Y
Senator Kent Weston	Y
Senator David A. Clemens	Y
Senator Kathy Hogan	Y
Senator Kristin Roers	Y
Senator Desiree Van Oosting	Y

Motion passed 6-0-0.

Senator Clemens will carry the bill.

2:56 p.m. Chairman Lee closed the hearing.

*Andrew Ficek, Committee Clerk*

**REPORT OF STANDING COMMITTEE  
ENGROSSED HB 1066 ([25.8080.02000](#))**

**Human Services Committee (Sen. Lee, Chairman)** recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1066 was rereferred to the **Appropriations Committee**. This bill affects workforce development.



Health & Human Services

**Testimony**  
**Engrossed House Bill No. 1066**  
**Senate Human Services Committee**  
**Senator Judy Lee, Chairman**  
February 17, 2025

Chairman Lee and members of the Senate Human Services Committee, I am Jim Fleming, Interim Director of the Vocational Rehabilitation Section of the Department of Health and Human Services (Department). I appear before you in support of Engrossed House Bill No. 1066, which was introduced at the request of the Department.

North Dakota receives \$7.8 million dollars per year under the Older Americans Act. To receive these funds, federal regulations require North Dakota to operate the Senior Community Service Employment Program (SCSEP). SCSEP is a training program for individuals over 55 years of age who have been unemployed for at least six months (or no longer able to perform their current job) and with income less than 125% of the federal poverty level. The training program encourages participants to return to the workforce. The Department receives \$480,000 per year in federal funds to operate SCSEP.

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The difficulty in recruiting SCSEP participants negatively impacts the state because the allowable cost of administering SCSEP is limited to 13% of total expenditures. In other words, the fewer SCSEP participants and less training hours paid by the Department, the lower the 13% cap on using federal funds for administrative costs. Excess costs are borne at state expense, while at the same time a significant amount of the \$480,000 in federal funds goes unused and is refunded to the federal government.

States with a higher minimum wage are better able to fully use federal SCSEP funds because the amount paid for training is closer to entry-level wages. In those states, participation rates are higher and more hours are worked.

If enacted, Engrossed House Bill 1066 will create a compensation rate that is limited to SCSEP participants. The Department is not asking for additional funds to operate SCSEP. To the contrary, House Bill 1066 will save the state money because it will reduce the risk of the state needing to pay a share of the costs of administering SCSEP. By increasing the rate of pay for SCSEP training, the Department anticipates an increase in the number of participants, which will lead to an increase in training paid by the Department out of the federal funds and a corresponding increase in the 13% cap on administrative costs that will come closer to covering the costs of the three temporary SCSEP coordinators who administer the program. If Engrossed House Bill 1066 is not enacted, the state will continue to cover a portion of the costs of administering SCSEP.

This concludes my testimony. I would be happy to try to answer any questions the committee may have. Thank you.



**2025 SENATE APPROPRIATIONS**

**HB 1066**

# 2025 SENATE STANDING COMMITTEE MINUTES

## Appropriations - Human Resources Division Harvest Room, State Capitol

HB 1066 8:03 a.m.  
3/20/2025

Relating to the compensation rate paid by the DHHS under the senior community service employment program.

8:03 a.m. Chairman Dever opened the hearing.

Members present: Chairman Dever and Senators Cleary, Davison, Magrum and Mathern.

### Discussion Topics:

- Senior Community Service Employment Program - Wages
- Committee Action

8:04 a.m. Eric Haas, Assistant CEO, Human Services Division, ND Health and Human Services (ND HHS), testified in favor.

8:10 a.m. Senator Davison moved Do Pass.

8:10 a.m. Senator Mathern seconded the motion.

Senators	Vote
Senator Dick Dever	Y
Senator Sean Cleary	Y
Senator Kyle Davison	Y
Senator Jeffrey J. Magrum	Y
Senator Tim Mathern	Y

Motion passed 5-0-0.

Senator Davison will carry the bill.

8:13 a.m. Chairman Dever closed the hearing.

*Joan Bares, Committee Clerk*

# 2025 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Harvest Room, State Capitol

HB 1066  
3/20/2025

A BILL for an Act to create and enact a new section to chapter 50-06.1 of the North Dakota Century Code, relating to the compensation rate paid by the department of health and human services under the senior community service employment program.

3:22 p.m. Vice-Chairman Erbele opened the hearing.

Members Present: Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Davison, Dever, Dwyer, Magrum, Mathern, Meyer, Schaible, Sickler, Sorvaag, Thomas, Wanzek.

Members Absent: Chairman Bekkedahl.

### Discussion Topics:

- Current Payment Rates
- Payment Rate Increase
- Rate Impact

3:22 p.m. Senator Davison introduced the bill.

3:25 p.m. Senator Davison moved a Do Pass.

3:25 p.m. Senator Mathern seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	A
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	N
Senator Terry M. Wanzek	Y

Motion Passed 14-1-1.

Senator Clemens will carry the bill.

3:27 p.m. Jim Fleming, NDDHHS Child Support Section Director, testified as neutral.

3:32 p.m. Vice-Chairman Erbele closed the hearing.

*Elizabeth Reiten, Committee Clerk*

**REPORT OF STANDING COMMITTEE  
ENGROSSED HB 1066 ([25.8080.02000](#))**

**Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **DO PASS** (14 YEAS, 1 NAY, 1 ABSENT OR EXCUSED AND NOT VOTING). HB 1066 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.