

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

BUDGET COMMITTEE ON HUMAN SERVICES

Wednesday, September 22, 2004
 Roughrider Room, State Capitol
 Bismarck, North Dakota

Representative Clara Sue Price, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Clara Sue Price, Jeff Delzer, William R. Devlin, Gary Kreidt, Vonnie Pietsch, Robin Weisz, Alon Wieland; Senators Bill L. Bowman, Richard Brown, Tom Fischer, Joel C. Heitkamp, Aaron Krauter, Judy Lee, Russell T. Thane

Members absent: Representative Louise Potter; Senator Harvey Tallackson

Others present: See Appendix A

It was moved by Senator Fischer, seconded by Representative Kreidt, and carried on a voice vote that the minutes of the previous meeting be approved as distributed.

HUMAN SERVICE CENTER STUDY

The Legislative Council staff presented a memorandum entitled *Summary of Human Service Center Reported Data Fiscal Year 2003 (Unless Otherwise Noted)*, attached as Appendix B, which provides a comparison of human service center information and statistics.

Ms. Brenda Weisz, Chief Financial Officer, Department of Human Services, presented information on changes made to the original legislative appropriations and authorized full-time equivalent (FTE) positions for each human service center during the 2003-05 biennium and on the status of each human service center's 2003-05 biennium budget. Ms. Weisz presented the following schedule showing the funding and FTE adjustments made by human service center:

Description	Total	General Fund	Special Funds	FTE
Northwest Human Service Center				
Original appropriation	\$7,275,679	\$3,630,039	\$3,645,640	51.00
Budget reduction plan based on appropriation	(95,092)	(95,092)		
National family caregiver funds moved from central office	56,695		56,695	
Developmental disabilities case manager moved to Southeast Human Service Center	(63,000)	(22,900)	(40,100)	(1.00)
Current budget as of June 30, 2004	\$7,174,282	\$3,512,047	\$3,662,235	50.00
North Central Human Service Center				
Original appropriation	\$14,564,870	\$7,841,196	\$6,723,674	114.78
Budget reduction plan based on appropriation	(50,000)	(50,000)		(1.00)
National family caregiver funds moved from central office	158,901		158,891	
Current budget as of June 30, 2004	\$14,673,761	\$7,791,196	\$6,882,565	113.78
Lake Region Human Service Center				
Original appropriation	\$8,420,933	\$4,637,960	\$3,782,973	63.00
Budget reduction plan based on appropriation	(90,539)	(90,539)		(2.00)
National family caregiver funds moved from central office	68,913		68,913	
Establish regional office automation computer system project clinical lead	94,163	94,163		1.00
Current budget as of June 30, 2004	\$8,493,470	\$4,641,584	\$3,851,886	62.00
Northeast Human Service Center				
Original appropriation	\$19,441,183	\$7,996,363	\$11,444,820	136.90
Budget reduction plan based on appropriation	(68,300)	(68,300)		
National family caregiver funds moved from central office	141,845		141,845	
Realign FTE				1.00
Current budget as of June 30, 2004	\$19,514,728	\$7,928,063	\$11,586,665	137.90
Southeast Human Service Center				
Original appropriation	\$20,724,542	\$9,509,320	\$11,215,222	184.20
Budget reduction plan based on appropriation	(75,000)	(75,000)		
National family caregiver funds moved from central office	183,941		183,941	
Developmental disabilities case manager from Northwest Human Service Center	63,000	22,900	40,100	1.00
Realign FTE				(4.40)
Current budget as of June 30, 2004	\$20,896,483	\$9,457,220	\$11,439,263	180.80
South Central Human Service Center				
Original appropriation	\$11,358,975	\$5,627,107	\$5,731,868	86.00
Budget reduction plan based on appropriation	(95,202)	(95,202)		
National family caregiver funds moved from central office	149,422		149,422	
Transfer from Developmental Disabilities Division	60,759		60,759	
Realign FTE				2.00
Current budget as of June 30, 2004	\$11,473,954	\$5,531,905	\$5,942,049	88.00

Description	Total	General Fund	Special Funds	FTE
West Central Human Service Center				
Original appropriation	\$17,584,844	\$8,463,209	\$9,121,635	120.00
Budget reduction plan based on appropriation				
National family caregiver funds moved from central office	198,812		198,812	
Realign FTE				4.50
Current budget as of June 30, 2004	\$17,783,656	\$8,463,209	\$9,320,447	124.50
Badlands Human Service Center				
Original appropriation	\$8,924,627	\$4,365,904	\$4,558,723	78.00
Budget reduction plan based on appropriation				
National family caregiver funds moved from central office	55,895		55,895	
Realign FTE				(1.30)
Current budget as of June 30, 2004	\$8,980,522	\$4,365,904	\$4,614,618	76.70

Ms. Weisz presented a report showing the status of each human service center's budget, including expenditures through the first year of the biennium. In total for the first year of the biennium, Ms. Weisz said the human service centers have spent \$51.1 million of their \$109 million budget, or 47 percent, leaving \$57.9 million, or 53 percent, remaining for the second year of the biennium. Regarding the general fund portion of the human service center budgets, Ms. Weisz said the human service centers have spent, through the first year of the biennium, a total of \$29.3 million of their \$51.7 million general fund budget, or 57 percent, leaving \$22.4 million, or 43 percent, remaining for the second year of the biennium.

Senator Krauter asked for the reasons why budget reductions were made to a number of the human service centers. Ms. Weisz said because of the undesignated general fund reductions made by the Legislative Assembly to the department's administrative division, State Hospital, and Developmental Center, which totaled \$4.5 million, each human service center was asked to identify potential administrative or programmatic reductions that could be made to provide for a portion of the undesignated reduction. She said the funding made available from the human service center's general fund budget reductions, which totaled \$470,000, was transferred to the State Hospital budget.

Senator Heitkamp asked for the human service center program areas that were reduced as a result of the 2003-05 biennium budget reductions. Ms. Weisz said a number of administrative reductions were made, dual-diagnosis services were eliminated, and other services were reduced as the human service centers identified core services to be provided to the state's most vulnerable citizens.

Senator Heitkamp expressed concern that the information provided by the department gives the impression that the department's funding is adequate for this biennium. Although he believes additional funding should be added for human service programs, he said, some members of the Legislative Assembly may believe additional reductions are possible for human service programs during the 2005-07 biennium if the department reports that service needs are adequately being met.

Ms. Yvonne Smith, Deputy Director, Department of Human Services, commented on the major variances of the human service center comparison report presented by the Legislative Council staff. Ms. Smith said the variations in the biennial cost per client served among human service centers are due in part to the specialized programs provided at certain human service centers, such as the Ruth Meiers Adolescent Treatment Center and the foster grandparent program provided in the Northeast Human Service Center, which increases the center's biennial cost per client while the Lake Region and South Central Human Service Centers do not provide psychiatric services in their communities which reduces the centers per client cost compared to other centers. She said psychiatric services are provided at the State Hospital for these regions.

Senator Krauter expressed concern with the high number of State Hospital admissions from the Southeast Human Service Center. Ms. Smith said the department has been monitoring the number of State Hospital admissions from the Southeast Human Service Center. She said the number of admissions has been declining. She said part of the reason for the higher number of admissions from the Southeast Human Service Center is due to a higher incidence rate of individuals with mental illness in larger cities.

Senator Lee questioned the substantially higher cost per client at the Northeast Human Service Center compared to the Southeast Human Service Center, excluding the effect of the Ruth Meiers Adolescent Treatment Center and the foster grandparent program. Ms. Smith said part of the reason for the higher cost of the Northeast Human Service Center compared to the Southeast Human Service Center results from a difference in philosophy of treatment. She said more intense services are provided to high-risk children in the Northeast Human Service Center compared to the Southeast Human Service Center. Senator Lee suggested the Department of Human Services compare the outcomes of treatment between the two centers to determine the method that is most cost-effective.

Representative Price asked whether the comparative data requested by the committee is also useful to the department. Ms. Smith said the comparisons are useful for the department. She said as the regional office automation computer system project is

fully implemented, the department will be generating additional comparative data for the human service centers.

Ms. Smith distributed information and statistics on the services provided by the Northeast, Southeast, West Central, and Badlands Human Service Centers. A summary of the information presented is included in the comparison report presented by the Legislative Council and is attached as Appendix B. Copies of the individual reports are on file in the Legislative Council office.

Senator Heitkamp asked whether the Department of Human Services needs additional funding to meet the human services needs of the citizens of North Dakota. Ms. Smith said that the department has eliminated some services in order to operate within the limits of legislative appropriations. She said the department has identified core services and is providing services to meet the needs of the state's most vulnerable citizens. She said some people have not agreed with the reductions made by the department and employees of the department are carrying workloads higher than desirable. She said the department is concerned with the impact on the department of the higher number of individuals involved with the correctional system. She said the department is working to provide adequate services to reduce this number. In addition, she said, the department is concerned about the staff caseloads; wait times for certain services, which are higher than desired; staff turnover; and recruitment difficulties in certain areas and for certain positions, including psychologists and licensed addiction counselors.

Mr. Paul Ronningen, Director, Children and Family Services Division, Department of Human Services, commented on the reasons for the increasing number of children in foster care. A copy of the presentation is on file in the Legislative Council office.

Mr. Ronningen said based on information provided by Cass County Social Services in 2004, 36 percent of children placed in foster care were placed due to parent involvement in methamphetamine-related activity. After placement, he said, additional information generally emerges suggesting that the impact of methamphetamine on the number of children in foster care is even higher than identified during initial placement.

Mr. Ronningen said the caseloads of child welfare workers have been increasing substantially because of the increase of children in foster care. To address these concerns, he said, the department has initiated a caseload analysis of child welfare workers which will be completed prior to the 2005 legislative session and will:

1. Conduct an analysis of child welfare supervisors' caseloads.
2. Continue the development of a temporary assistance for needy families kinship care project. The kinship project has been a pilot project in Burleigh, Cass, and Morton Counties and involves conducting a thorough

search for relatives who may provide care to their kin as opposed to placing these children in foster care. Temporary assistance for needy families block grant funds may be used for these services. The project is anticipated to be expanded statewide by the end of the year.

3. Recruit additional family foster care providers.
4. Explore performance-based contracting with residential foster care providers, which will provide funding based on outcomes rather than days of care.

Senator Krauter asked how long the kinship care pilot projects have been in operation. Mr. Ronningen said the pilot projects began earlier this year.

Mr. Tim Eissinger, Director of Operations, Dakota Boys and Girls Ranch, Fargo, commented on the reasons for the increasing numbers of children in foster care and services provided by the Dakota Boys and Girls Ranch. Mr. Eissinger said of the individuals served in addiction programs of the Dakota Boys and Girls Ranch, 75 percent have issues related to marijuana usage and the remaining 25 percent have issues relating to either alcohol or methamphetamine usage.

Mr. Eissinger reviewed information affecting North Dakota families included in the 2003 and 2004 *North Dakota Kids Count! Fact Book*. He provided information on concerns relating to family composition, economic conditions, child care, education, health, and children at-risk.

Mr. Eissinger said the Dakota Boys and Girls Ranch is considering the following initiatives to enhance services in North Dakota:

1. To pursue federal funding to develop and support a statewide mentoring program for residents completing treatment.
2. To study, pilot, and implement performance-based reimbursement with the assistance of the Department of Human Services.
3. To develop specialized therapeutic foster homes for children who are difficult to place in the existing foster care system.
4. To develop a statewide independent living program for youth and adolescents.
5. To adapt and integrate all aspects of residential programming into a "wraparound" single plan of care.

A copy of the report is on file in the Legislative Council office.

In response to a question from Senator Krauter, Mr. Eissinger said the Dakota Boys and Girls Ranch has locations in Minot, Fargo, and Bismarck; has 110 licensed beds; and averages 92 percent occupancy.

In response to a question from Senator Krauter, Mr. Eissinger said approximately 84 children in foster care are placed out of state--55 of whom are in treatment centers or group facilities and 29 in foster care homes.

In response to a question from Representative Delzer, Mr. Ronningen said the primary reasons children are placed in out-of-state facilities is because a bed is not available in a North Dakota facility, the child needs specialized treatment services, or the child has committed a serious sex offense.

Mr. Ronningen distributed a schedule identifying the number of children placed in out-of-state facilities since January 2003. The report indicates that the number of children placed in out-of-state facilities has increased from 33 in January 2003 to 55 in August 2004. A copy of the report is on file in the Legislative Council office.

Ms. Sandi Tabor, Attorney General's office, presented information on the seizure and disposition of assets of drug offenders. Ms. Tabor said North Dakota Century Code (NDCC) Section 54-12-14 provides the statutory provisions for the asset forfeiture fund and the uses of money in the fund. She said the Attorney General is authorized to seize cash and other assets, such as cars, boats, airplanes, guns, drugs, etc., from individuals involved in criminal activities. She said the agency must prove to the court that the assets seized were purchased with drug money or used in the process of selling or manufacturing drugs.

Ms. Tabor said the Attorney General's office is authorized, pursuant to a continuing appropriation, to spend the proceeds from seized and forfeited assets for drug enforcement purposes, such as drug buys, purchasing equipment, overtime costs, or matching federal drug enforcement grants. She said when the Attorney General's office is involved in a drug enforcement activity that results in seized and forfeited assets, the agency must share the proceeds of the assets seized with other law enforcement agencies involved in the enforcement effort. She said during the 2001-03 biennium, \$135,252 was deposited in the asset forfeiture fund. To date for the 2003-05 biennium, she said, \$44,000 has been deposited in the fund. She said any funds generated from seizure and forfeiture of assets that exceed \$200,000 in a biennium must be deposited in the general fund. She said if money in the fund was to be used for substance abuse treatment costs or for the cost of cleanup of methamphetamine laboratories, a legislative change would be required to NDCC Section 54-12-14.

COMMITTEE DISCUSSION

It was moved by Senator Heitkamp, seconded by Senator Lee, and carried that the committee recommend that the standard information provided by each human service center to Appropriations and other standing committees of the Legislative Assembly and to Budget Section tour groups be made in the following format for the current and two previous bienniums:

HUMAN SERVICE CENTER (IN TOTAL)

1. Funding by funding source, with explanations of any changes from legislative appropriations.
2. FTE positions, with explanations of any changes from legislatively authorized levels.
3. Major sources of federal and special/other funds.
4. Unduplicated number of clients served annually.
5. Number of clients served annually - One-time visit only. (This data will be reported beginning with fiscal year 2005.)
6. Status of current biennium budget.

MAJOR PROGRAM REPORTING Administration

1. Summary of services.
2. Funding by funding source.
3. FTE positions.
4. Major sources of federal and special/other funds.
5. Administrative costs as a percentage of budget.
6. Administrative costs per client served.

Child Welfare

1. Summary of services.
2. Funding by funding source.
3. FTE positions.
4. Major sources of federal and special/other funds.
5. Average number of children in foster care per year.
6. Average number of children in foster care placed out of state.
7. Number of child abuse and neglect reports per year.
8. Percentage incidence of repeat maltreatment.
9. Average time spent in foster care.
10. Percentage of foster care reentries within 12 months of previous discharge.

Disability Services

1. Summary of services.
2. Funding by funding source.
3. FTE positions.
4. Major sources of federal and special/other funds.
5. Number of Developmental Center residents from region.
6. Unduplicated number of clients served annually:
 - a. Developmental disabilities.
 - b. Vocational rehabilitation.
7. Percentage of clients employed:
 - a. Developmental disabilities.
 - b. Vocational rehabilitation.

8. Average annual earned income of clients - Vocational rehabilitation.
9. Average caseload per caseworker:
 - a. Developmental disabilities.
 - b. Vocational rehabilitation.

- (1) Two or three.
- (2) Four or five.
- (3) More than five.

Older Adult Services

1. Summary of services.
2. Funding by funding source.
3. FTE positions.
4. Major sources of federal and special/other funds.
5. Dollar value of contracts, number of service sites, and number of individuals served under the Older Americans Act.
6. Dollar value of contracts and number of individuals served:
 - a. Vulnerable adult services.
 - b. National family caregiver program.

Mental Health and Substance Abuse Services

1. Summary of services.
2. Funding by funding source.
3. FTE positions.
4. Major sources of federal and special/other funds.
5. Contracts with providers by type of service and funding, with explanations of major funding changes between bienniums.
6. For mental health services:
 - a. Unduplicated number of clients served:
 - (1) Individuals with serious mental illness.
 - (2) Individuals with acute mental illness.
 - (3) Children with serious emotional disorders.
 - b. Average caseload per caseworker:
 - (1) Individuals with serious mental illness.
 - (2) Individuals with acute mental illness.
 - (3) Children with serious emotional disorders.
 - c. Number of State Hospital admissions from region by year.
 - d. Number of clients in extended employment.
 - e. Average annual earned income of clients in extended employment.
7. For substance abuse services:
 - a. Unduplicated number of clients served.
 - b. Average caseload per caseworker.
 - c. Number of State Hospital admissions from region by year.
 - d. Number of clients with multiple admissions for services:

STATEWIDE OR UNIQUE PROGRAMS

1. Summary of services.
2. Funding by funding source.
3. FTE positions.
4. Unduplicated number of clients served.

Representatives Price, Delzer, Devlin, Kreidt, Pietsch, Weisz, and Wieland and Senators Bowman, Brown, Fischer, Heitkamp, Krauter, Lee, and Thane voted "aye." No negative votes were cast.

The committee recessed for lunch at 12:00 noon and reconvened at 1:30 p.m.

STUDY OF HUMAN SERVICES PROGRAM ADMINISTRATIVE COSTS

Ms. Vonette Richter, Counsel, Legislative Council, presented a bill draft [50157.0100] relating to the approval of tribal-state gaming compacts. Ms. Richter said the bill draft amends NDCC Section 54-58-03 to require the Governor to receive legislative approval before entering, renewing, amending, or extending any tribal-state gaming compacts.

Senator Thane asked whether there are any constitutional concerns with the bill draft relating to the separation of powers. Ms. Richter said the constitutionality would be determined by the interpretation of the court; however, she said, there have been cases in other states where the law was found to be unconstitutional when the state legislature was not involved in approving tribal-state gaming compacts.

Senator Krauter asked whether the bill draft would now require gaming compact negotiations to occur only during legislative sessions. Ms. Richter said that under the proposed bill draft, a tribal-state gaming compact negotiated by the Governor could not go into effect until approved by the Legislative Assembly during either a regular or special session. She said federal law requires states to negotiate in good faith with the Indian tribes. If it is determined that a state is not negotiating in good faith, the federal Department of Interior may approve gaming compacts in that state.

Representative Price asked when the most recent compact was negotiated. Ms. Richter said the current compact was negotiated in 1999 and is effective for 10 years with a possibility of a five-year extension.

Senator Lee expressed support for the bill draft. She said it is important for the Legislative Assembly to be involved in determining provisions of gaming compacts because the legislature is the policymaking branch of government. In addition, she said, it is necessary to maintain the balance of power between the executive and legislative branches. She said now is a good time for the Legislative Assembly to consider making this change because there is no urgent issue that could influence the basic decision of

legislative involvement in the tribal-state gaming compacts.

Senator Heitkamp said the committee should receive testimony from the Governor and representatives of Indian gaming in North Dakota before acting on the bill draft.

Mr. Curt Luger, Executive Director, North Dakota Indian Gaming Commission, provided testimony on the bill draft. Mr. Luger said during past negotiations, the Indian Gaming Commission, as well as the Governor, have sought involvement from legislators. He said the majority and minority leaders from both houses were involved in previous negotiations.

Mr. Luger suggested that if there are concerns with child support collections on Indian reservations, the committee should consider other ways of addressing the issue rather than requiring legislative approval of tribal-state gaming compacts.

Senator Bowman asked who negotiates on behalf of the Indian tribes. Mr. Luger said each of the five Indian tribes has a negotiating team and the chairman of each team negotiates on behalf of each tribe.

Senator Lee said that the bill draft was not requested to address child support collection concerns on Indian reservations but the issue of tribal-state gaming compact approvals arose as a result of discussions relating to child support collections on Indian reservations. Senator Lee said the purpose of the bill draft is to increase communications between state agencies, the Governor, Indian tribes, and members of the Legislative Assembly, including the understanding of tribal-state gaming compacts.

Senator Heitkamp expressed concern regarding requiring legislative approval of the tribal-state gaming compacts because of the involvement of so many people in the approval process. He said this could be of concern to the gaming industry that is already operating in this state.

Mr. Donovan J. Foughty, District Judge, Northeast Judicial District, Devils Lake, and Chairman of the Supreme Court's Committee on Tribal and State Court Affairs, provided information on issues relating to the recognition of child support enforcement orders on Indian reservations.

Mr. Foughty said the Supreme Court's Committee on Tribal and State Court Affairs includes representatives of both state and tribal courts. He said the purpose of the committee is to expand tribal and state court judges' knowledge of the respective judicial systems and to identify and discuss issues regarding court practices, procedures, and administration which are of common concern to members of tribal and state judicial systems. He said child support would be a common concern of these court systems. He believes procedures are in place in tribal courts relating to recognizing state court orders. Mr. Foughty distributed a document from the Spirit Lake Tribal Court providing instructions on filing state court orders in tribal court. A copy of the document is on file in the Legislative Council office.

Mr. Foughty said he believes if a casino received a tribal court order requiring child support to be withheld, the tribal casino would honor the order.

Mr. Foughty said although mechanisms are in place, based on the committee's concerns, the Supreme Court's Committee on Tribal and State Court Affairs will further discuss the issue at its October 2004 meeting.

Senator Heitkamp asked what can be done to improve child support collections in the state. Mr. Foughty said he believes the lack of child support collections on Indian reservations is an enforcement problem.

Representative Price expressed concern regarding the low level of child support collections from individuals residing on Indian reservations. She said that when child support is not collected, limited state funding available for other children and families in need is further reduced.

Senator Krauter said based on his past experiences with jurisdictional issues on Indian reservations, improvements can be made by increasing the level of communication between the entities involved.

Mr. Foughty said oftentimes logistics is also a concern. He suggested state and tribal representatives discuss ways to speed up the transfer of child support to the children.

Representative Weisz asked for the procedures that are required to obtain a tribal court order relating to child support. Mr. Foughty said procedurally a petitioning process to the court is required, a hearing held, and then, if appropriate, the order will be issued.

Mr. Mike Schwindt, Director, Child Support Enforcement, Department of Human Services, commented on child support enforcement issues. He said the federal government has now made federal funding available to Indian tribes for developing their child support programs. He said currently the Sisseton-Wahpeton Reservation has established its own child support program. He said the federal regulations require Indian tribes to accept child support withholding orders from other jurisdictions in order to be eligible to receive the federal funds.

Mr. Schwindt said many regional child support enforcement offices no longer attempt to file state court orders in tribal courts due to past failed experiences. For example, he said, the Standing Rock Indian reservation requires a personal appearance in the tribal court in order to file the order. He said this requirement is very time-consuming for the regional unit's child support workers.

Senator Heitkamp suggested hiring a full-time individual to file state court orders in tribal courts across the state. Mr. Schwindt said each regional child support enforcement unit would need to make that decision.

In response to a question from Senator Heitkamp, Mr. Schwindt said currently three regional child support enforcement units in the state are under the authority of state's attorney's offices, four units are

under the authority of County Social Services Boards, and one unit's director reports to the County Social Services Board while the staff reports to the state's attorney's office. Mr. Schwindt said funding for the regional units totals \$5 million per year.

Mr. Steve Kelly, attorney for the Three Affiliated Tribes, said requiring legislative approval of tribal-state gaming compacts to improve child support collections on Indian reservations is not appropriate. He said communications between state and tribal leaders need to occur to improve the child support collection process.

Mr. Luger said if a casino receives a tribal court order to withhold child support from the income of one of its employees, it will honor the order.

Mr. Joe Belford, Ramsey County Commissioner, Devils Lake, expressed concern regarding the cost of child support enforcement among counties. He said counties with Indian reservations are unable to pay for the costs of child support enforcement, as well as other county costs. He suggested organizing a committee to review the child support collection process in the state. He said the committee should include representatives of state agencies, regional units, counties, the legislative branch, the judicial branch, and Indian tribes.

Senator Bowman asked what action the committee could take to form such a committee. The Legislative Council staff said one option would be for the committee to recommend a resolution draft providing for a Legislative Council study during the next interim.

Representative Price suggested the Supreme Court's Committee on Tribal and State Court Affairs discuss these issues and bring recommendations to the 2005 Legislative Assembly. Mr. Foughty said that while the Supreme Court's Committee on Tribal and State Court Affairs will discuss the issue, the committee includes only court representatives who are not directly involved in the enforcement process. Mr. Belford said counties could begin the process by holding meetings on the issue.

Ms. Cheryl Kulas, Executive Director, Indian Affairs Commission, said discussions need to occur as to how to cross jurisdictional boundaries to collect child support. She said the Indian Affairs Commission may be able to assist in this process. She said the Indian Affairs Commission is planning to study the issue and is proposing to assist any Indian tribe that wishes to access federal funds for operating its own child support program.

It was moved by Senator Bowman, seconded by Senator Krauter, and carried on a roll call vote that a study resolution draft providing for a Legislative Council study of child support enforcement issues in the state and on Indian reservations be prepared by the Legislative Council staff and then be approved and recommended to the Legislative Council. Representatives Price, Devlin, Pietsch, Weisz, and Wieland and Senators Bowman, Brown, Fischer, Heitkamp, Krauter, Lee, and Thane voted "aye." No negative votes were cast.

Senator Heitkamp suggested tabling the bill draft requiring Legislative Assembly approval of tribal-state gaming compacts since the committee has now approved the study resolution draft.

Senator Lee suggested the committee approve the bill draft because it is important for the Legislative Assembly to be involved in the approval of tribal-state gaming compacts.

Senator Krauter said he was involved in previous negotiations of tribal-state gaming compacts as the Senate minority leader and said he had input into the negotiations.

Senator Heitkamp said he does not believe the bill draft relates to the study responsibilities of the committee.

Senator Bowman said the bill draft may be premature. He suggested waiting until completion of next interim's legislative study.

Senator Brown said it is important to discuss the issue of legislative involvement in the tribal-state gaming compact negotiations during the 2005 Legislative Assembly. He said if the bill draft is not approved, it may not be considered until the 2007 Legislative Assembly.

Representative Price said that while she is uncomfortable with approving the bill draft at this time, she believes legislative input into tribal-state gaming compact negotiations is important and forwarding the bill draft will continue discussions during the 2005 Legislative Assembly.

It was moved by Senator Lee, seconded by Senator Brown, and carried on a roll call vote that the bill draft relating to legislative approval of tribal-state gaming compacts be approved and be recommended to the Legislative Council. Representatives Price, Pietsch, Weisz, and Wieland and Senators Brown, Fischer, Lee, and Thane voted "aye." Representative Devlin and Senators Bowman, Heitkamp, and Krauter voted "nay."

CHILDREN'S SERVICES COORDINATING COMMITTEE REPORT

Ms. Sandy Bendewald, Chairman of the Legislative Committee for the Children's Services Coordinating Committee, presented information on the status of "refinancing" funds generated and the uses of the funds for the 2003-05 biennium to date and on the future role of the Children's Services Coordinating Committee and the regional and tribal children's services coordinating committees.

Ms. Bendewald said through June 30, 2004, the Children's Services Coordinating Committee has generated \$1,281,201 from "refinancing" activities. Of this amount, she said, \$128,120 was distributed to the Department of Human Services, \$64,060 to the Children's Services Coordinating Committee, \$640,601 to participating agencies, and \$448,420 to local children's services coordinating committees.

Ms. Bendewald said during the first year of the biennium, the local children's services coordinating committees spent \$1,048,187, \$606,381 of which

were grants and \$441,806 for operating expenses of the committees.

Of the \$441,806 spent on operating costs, she said, \$71,847, or 16 percent, related to grants administration; \$48,541, or 11 percent, to "refinancing" administration; \$112,806, or 26 percent, to board or committee administrative costs; and \$208,612, or 47 percent, to collaboration leadership.

Ms. Bendewald said the total amount spent by the local children's services coordinating committees exceeded the amounts generated due to the timelag between when the funds are generated and received.

Ms. Bendewald said because of changes in federal regulations, the "refinancing" activities of the Children's Services Coordinating Committee ended July 1, 2004. Therefore, she said, no additional funding will be generated from "refinancing." Ms. Bendewald said the Children's Services Coordinating Committee hopes to continue to meet quarterly; however, the state office will be closing on a yet to be determined date. She said the Department of Human Services and the Department of Corrections and Rehabilitation will be providing the necessary support services to maintain the committee.

Ms. Bendewald said the committee is planning to introduce a bill in the 2005 legislative session to continue the state committee and local committees without state funding.

Ms. Bendewald discussed the future plans for the regional children's services coordinating committees as follows:

- Region I, Williston - Will continue operating through June 30, 2005.
- Region II, Minot - Will continue operating through June 30, 2005; however, if no other funding is identified, its operations will end. The committee will continue to meet quarterly.
- Region III, Devils Lake - The committee will continue to operate through June 2005; however, staff support will end as of October 2004.
- Region IV, Grand Forks - Has discussed continuing as a regional board beyond July 1, 2005; however, staff time will be reduced significantly and eventually eliminated due to loss of funding.

- Region V, Fargo - Plans to continue its current structure and staff.
- Region VI, Jamestown - Will continue to operate with present staff while funds are available and may consider operating after funds are depleted.
- Region VII, Bismarck - Seeking other grants; however, if none are received, the office will close by June 30, 2005.
- Region VIII, Dickinson - Will retain a .4 FTE staff person for at least one year to continue coordination and collaboration of services.
- Tribal children's services coordinating committees - The state committee is unaware of any tribal committees that are still operating.

A copy of the report is on file in the Legislative Council office.

Mr. Ronningen expressed support and appreciation for the work of the Children's Services Coordinating Committee during the years it has operated.

It was moved by Senator Bowman, seconded by Senator Thane, and carried on a voice vote that the chairman and the staff of the Legislative Council be requested to prepare a report and the bill and resolution drafts recommended by the committee and to present the report and the bill and resolution drafts to the Legislative Council.

It was moved by Senator Bowman, seconded by Senator Fischer, and carried that the meeting be adjourned sine die.

The meeting was adjourned sine die at 4:05 p.m.

Allen H. Knudson
Assistant Legislative Budget Analyst and Auditor

Jim W. Smith
Legislative Budget Analyst and Auditor

ATTACH:2