



North Dakota Legislative Council

Prepared for the Government Services Committee
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OTHER GOVERNMENT SERVICES COMMITTEE RESPONSIBILITIES - BACKGROUND MEMORANDUM

In addition to studies of the State Crime Laboratory, infrastructure and construction management procurement procedures, homelessness, and accessible transportation; the 2023-24 interim Government Services Committee has been assigned the following duties:

- Receive a report from the Office of Management and Budget (OMB) by October 15 of each even-numbered year, regarding the reports received by OMB from each executive branch state agency, excluding entities under the control of the State Board of Higher Education, receiving federal funds, of a plan to operate the state agency when federal funds are reduced by 5 percent or more of the total federal funds the state agency receives (North Dakota Century Code Section 54-27-27.1).
- Approve any agreement between a North Dakota state entity and South Dakota to form a bistate authority (Section 54-40-01).
- Receive a report from the Veterans' Home by January 1, 2024, on the status of implementing recommendations included in the Veterans' Home strategic plan (Section 6 of House Bill No. 1007 (2023)).

FEDERAL FUNDS REPORT

North Dakota Century Code Section 54-27-27.1 requires each executive branch state agency, excluding entities under the control of the State Board of Higher Education, receiving federal funds, to report biennially to OMB a plan to operate the state agency when federal funds are reduced by 5 percent or more of the total federal funds the state agency receives. The report must include information on whether the agency will request state funds to offset the decrease in federal funds. The report is not required to address a reduction in federal funds received by the agency which is a result of:

- A decrease in caseloads or cost per case;
- A change in the anticipated project completion date for a construction project qualifying for federal fund reimbursement; or
- The completion of a one-time project funded in whole or in part by federal funds.

The Office of Management and Budget is required to report to the Legislative Management by October 15 of each even-numbered year on the federal funds reports received from state agencies. The report must include a summary of the reports received from state agencies on how each agency will operate with the reduction in federal funds.

The 2021-23 interim Government Administration Committee received a report from OMB in August 2022 regarding state agency plans to operate if federal funds are reduced by 5 percent or more of the total federal funds the agency receives. The committee learned of the 32 agencies surveyed, 11 were expecting a decrease in federal funding of 5 percent or more. The committee also learned the Highway Patrol, Secretary of State, and State Library may seek additional state funding if the federal funding level is not maintained.

AGREEMENTS BETWEEN NORTH DAKOTA AND SOUTH DAKOTA

North Dakota Century Code Section 54-40-01 provides an agency, department, or institution may enter an agreement with the State of South Dakota to form a bistate authority to jointly exercise any function the entity is authorized to perform by law. Any proposed agreement must be submitted to the Legislative Assembly or, if the Legislative Assembly is not in session, to the Legislative Management or a committee designated by the Legislative Management for approval or rejection. The agreement may not become effective until approved by the Legislative Assembly or the Legislative Management.

The South Dakota Legislature in 1996 enacted a law creating a legislative commission to meet with a similar commission from North Dakota to study ways North Dakota and South Dakota could collaborate to provide government services more efficiently. The North Dakota Legislative Council (Legislative Management) appointed a commission to meet with the South Dakota commission. As a result of the joint commission, the North Dakota Legislative Assembly enacted legislation relating to higher education and the formation of a cooperative agreement with South Dakota. The South Dakota commission proposed several initiatives, but the South Dakota Legislature did not approve any of the related bills. Since then, no proposed agreements have been submitted to the committee for approval to form a bistate authority with the State of South Dakota.

VETERANS' HOME STRATEGIC PLAN IMPLEMENTATION

Section 6 of House Bill No. 1007 provides for the Veterans' Home to report to the Legislative Management regarding the status of implementing recommendations included in the Veterans' Home strategic plan as provided for in Section 1 of Chapter 7 of the 2019 Session Laws. The Veterans' Home shall forward a copy of the report to the Governor and each United States Senator and Congressman representing North Dakota. The Veterans' Home shall provide an updated report to the appropriations committees of the 69th Legislative Assembly, the Governor, and each United States Senator and Congressman representing North Dakota during the 2025 legislative session. The report must include information on the status and progress of:

1. The Veterans' Home current and future planned marketing initiative outcomes, including:
 - a. Marketing efforts to community-based outpatient clinics throughout the state and how the Veterans' Home can increase community-based services to veterans statewide; and
 - b. How the agency will increase statewide awareness of the Veterans' Home, including promoting services available to veterans and veterans' spouses;
2. Implementation of minimum data set and documentation audit recommendations to increase operational efficiencies, census, and staffing;
3. The Veterans' Home and each United States Senator and Congressman representing North Dakota collaborating to negotiate with the United States Department of Veterans Affairs on the forgiveness of approximately \$15.7 million of federal funding used in the construction of the Veterans' Home and the other options regarding federal funding concerns;
4. Evaluating options to adjust basic care and skilled care reimbursement rates to more adequately compensate for services provided to veterans and veterans' spouses;
5. The feasibility of providing collaborative hospice care at the Veterans' Home and the creation of a business plan including advantages, disadvantages, and potential costs and revenue;
6. The feasibility of providing assisted and independent living care at the Veterans' Home and the creation of a business plan including advantages, disadvantages, and potential costs and revenue;
7. The feasibility of providing adult day care at the Veterans' Home and the creation of a business plan including advantages, disadvantages, and potential costs and revenue;
8. The feasibility of providing outpatient services at the Veterans' Home and the creation of a business plan including advantages, disadvantages, and potential costs and revenue;
9. The feasibility of engaging in collaborative planning and work efforts with competing senior living providers in areas surrounding the Veterans' Home and the feasibility of contracting with a third party to operate the Veterans' Home; and
10. The final strategic plan submitted by the Veterans' Home third-party consultant.