

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

3041

2007 HOUSE HUMAN SERVICES

HCR 3041

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HCR 3041

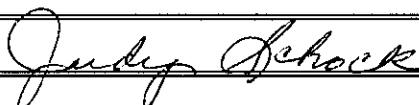
House Human Services Committee

Check here for Conference Committee

Hearing Date: February 5, 2007

Recorder Job Number: 2847

Committee Clerk Signature



Minutes:

Chairman Price: Opens the hearing on HCR 3041.

Representative Tracy Boe, District 9 Rolette County: this is a study on distribution of social programs. The reservation counties have the inability to fund programs. If there are programs out there we need to find a way to bring them together.

Terry Traynor, ND Association of Counties: See attached testimony, and levies attached. If property tax is the most appropriate way to fund this service responsibility, or if there is another way to look at it and a sponsor recommended. Maybe there is federal money or other state funding. Maybe there is a way get those entities that create part of the problem because of large tracks of untaxed land. As the committee is aware these costs are largely driven by forces that government doesn't control. Federal and state requirements primarily County boards have little decision making authority over the programs, the staffing, salaries even travel reimbursement. They are all directed by State requirements.

Chairman Price: Anyone else in favor? Any opposition? We will close the hearing on HCR 3041.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HCR 3041

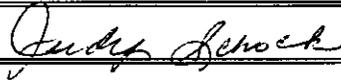
House Human Services Committee

Check here for Conference Committee

Hearing Date: February 5, 2007

Recorder Job Number: 2848

Committee Clerk Signature



Minutes:

Chairman Price: Take out HCR 3041.

Representative Conrad moves a do pass consent calendar, seconded by **Representative**

Potter. The vote was 12 yeas, 0 nays, 0 absent. **Representative Conrad** will carry the bill to the floor.

REPORT OF STANDING COMMITTEE (410)
February 5, 2007 4:59 p.m.

Module No: HR-24-2206
Carrier: Conrad
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3041: Human Services Committee (Rep. Price, Chairman) recommends DO PASS and BE PLACED ON THE CONSENT CALENDAR (12 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3041 was placed on the Tenth order on the calendar.

2007 SENATE HUMAN SERVICES

HCR 3041

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HCR 3041

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 3-20-07

Recorder Job Number: 5339

Committee Clerk Signature

Mary K Monson

Minutes:

Chairman Senator J. Lee opened the hearing on HCR 3041 directing the Legislative Council to study the trends and correlations of property tax revenue in relation to funding human service delivery in individual counties.

Representative Tracy Boe (District #9) introduced HCR 3041. In parts of the state where there are heavy native populations there is a huge need for human service dollars which are supported primarily from tax dollars from property tax and there is a low tax base.

Basically all he wants to do is look at it and see if there may be a different way of funding these.

Senator Dever said one of the areas he is aware of where this is a real problem is in the area of child support which the state is taking over the administration of. He recalled a meeting about three years ago in Devils Lake where county commissioners were talking about some of the region which included several counties including Rolette and Benson. He thought 80% of their enforcement took place in those two counties. A lot of the conversation was regarding Rolette County where very little of the property is owned by non native individuals. That is a real problem.

Rep. Boe responded that in Rolette County the reservation, by itself, is two townships.

Outside the boundaries of that is the tribal trust land that is held in trust by the US Government which is also non taxable. He figured about 20% of the property is a tax free status in Rolette County.

Senator Dever recalled from the last session in their discussion of state administration child support there were county commissioners there from Sioux County. They made the point that Sioux County is the only county in the United States that is entirely a reservation. That brings up more particular problems for them. They have no tax base.

Rep. Boe didn't think any of the reservation districts in the state had the same problems. They are each very unique.

This would just look at trying to find a different way of funding the human service needs of the county.

There was no opposing or neutral testimony.

The hearing on HCR 3041 was closed.

Discussion followed on the amount of money generated in Rolette County for the health districts (08:20). The possibility of including something about health care was also discussed.

Senator Heckaman said one of the significant difficulties in Benson County is the numbers of acres of land that used to be taxable but are no longer on the tax roll because of being under water.

Senator Dever was struggling a little with the trends and correlations of property tax revenue.

There really is a situation in certain counties that have a real problem. He's not sure they need to expand it statewide.

Senator J. Lee asked if there was a better way they could phrase it.

Discussion indicated that Legislative Council could make sure the study gets in the direction as intended since the resolution does address six counties. It was also felt that information on the impact of Devils Lake would be generated through the report.

Senator Erbele moved for a Do Pass on HCR 3041.

The motion was seconded by Senator Warner.

Roll call vote 6-0-0. Motion carried. Carrier is Senator Warner.

REPORT OF STANDING COMMITTEE (410)
March 20, 2007 1:00 p.m.

Module No: SR-52-5742
Carrier: Warner
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HCR 3041: Human Services Committee (Sen. J. Lee, Chairman) recommends DO PASS
(6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3041 was placed on the
Fourteenth order on the calendar.

2007 TESTIMONY

HCR 3041

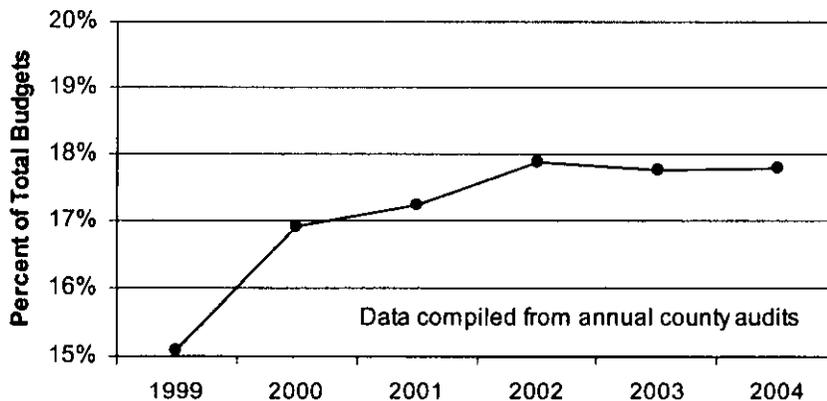
**Testimony To The
HOUSE HUMAN SERVICES COMMITTEE
Prepared February 5, 2007 by the
North Dakota Association of Counties
Terry Traynor – Assistant Director**

REGARDING HOUSE CONCURRENT RESOLUTION NO. 3041

Thank you Chairman Price and members of the Committee, for the opportunity to present the support of county government for this important study resolution.

The State Constitution gives local government the exclusive use of property taxes to meet their service obligations. This is reasonable when one considers that most of their obligations relate quite directly to preserving and enhancing the value of our citizens' property. Road and street maintenance, police and fire protection, land use planning, property recordkeeping, tax administration, and even jails; all have either a direct or indirect impact on property.

**County Social Service Costs
As Percent of Total County Budgets**



The delivery of human services, for counties a growing share of their budgets, is possibly the most significant exception. As the attached table indicates, the impact on property is also quite varied from county to county. This we as the important purpose of the study.

To determine if it is appropriate for property owners of one county to pay almost six times what property owners of another county pay to deliver these services.

As this committee is quite aware, these costs are driven largely by federal and State requirements. County boards have very little decision-making authority over programs, staffing, salary levels and even travel reimbursements. Just one example of this is attached as the final page of this testimony – an indication that double-digit increases are not uncommon – but totally out of a commission's control. Therefore, the widely varied property tax impacts cannot be easily controlled at the local level. For this reason, we urge the Committee to give this study resolution a "Do Pass" recommendation.

50-01.2-03.2. County duties - Financing in exceptional circumstances.
.....

2. On or before February twenty-eighth of each year, each county shall report to the department the total amount of county funds expended in the previous year to meet the cost of providing human services required under this title and the number of mills that must have been levied by that county in the prior year to raise that total amount. Upon receipt of reports from all counties, the department shall determine the statewide average of the mill levies and identify each county that levied ten mills more than that average. Each identified county is entitled to a share of funds appropriated for distribution under this subsection. Each identified county's share is determined by:

- a. Reducing its mill levy necessary to meet the costs of providing human services required under this title by the statewide average mill levy determined under this subsection plus ten mills;
- b. Determining the amount that could have been raised in that county and year through a mill levy in the amount calculated under subdivision a;
- c. Totaling the amounts determined under subdivision b for all counties entitled to a distribution;
- d. Calculating a decimal fraction equal to each identified county's proportionate share of the total determined under subdivision c; and
- e. Multiplying that decimal fraction times one-half of the biennial appropriation.

3. Notwithstanding any other provisions of law, the department shall reimburse county social service boards for expenses of locally administered economic assistance programs in counties in which more than twenty percent of the caseload for these programs consists of people who reside on a federally recognized Indian reservation or property tax-exempt tribal trust lands. The reimbursement must be such that:

- a. An affected county's expenses for locally administered economic assistance programs in excess of the statewide average of such costs, expressed in mills, for all other counties will be reimbursed at one hundred percent;
- b. Each calendar year the affected counties will receive quarterly allocations based on the actual county expenses for the state fiscal year ending the previous June thirtieth and the most recent taxable valuations published pursuant to section 57-13-07 available on that date; and
- c. The reimbursement will be calculated for each county and reported to the county social service board prior to August first of the year preceding the allocation.

Total Dedicated Human Service Levies

	Total 2005 Dedicated Levies	Tax on \$100,000 House
Towner	7.47	\$ 33.62
Mercer	10.00	\$ 45.00
Renville	10.91	\$ 49.10
Ransom	11.57	\$ 52.07
Sargent	11.90	\$ 53.55
Billings	12.98	\$ 58.41
Emmons	13.18	\$ 59.31
Burke	14.06	\$ 63.27
Foster	14.50	\$ 65.25
Logan	14.50	\$ 65.25
McHenry	14.65	\$ 65.93
Steele	14.67	\$ 66.02
McLean	14.99	\$ 67.46
Slope	15.38	\$ 69.21
Pembina	15.72	\$ 70.74
Dickey	16.19	\$ 72.86
Bottineau	16.20	\$ 72.90
Richland	17.00	\$ 76.50
Grand Forks	17.19	\$ 77.36
McKenzie	17.25	\$ 77.63
Golden Valley	17.26	\$ 77.67
LaMoure	17.26	\$ 77.67
Kidder	18.00	\$ 81.00
Burleigh	18.14	\$ 81.63
Nelson	18.20	\$ 81.90
Bowman	18.62	\$ 83.79
Cass	19.00	\$ 85.50
Barnes	19.92	\$ 89.64
Cavalier	20.00	\$ 90.00
Hettinger	20.00	\$ 90.00
Oliver	20.00	\$ 90.00
Wells	20.28	\$ 91.26
McIntosh	20.34	\$ 91.53
Grant	20.42	\$ 91.89
Sheridan	21.00	\$ 94.50
Rolette	21.04	\$ 94.68
Pierce	21.22	\$ 95.49
Traill	21.84	\$ 98.28
Divide	22.94	\$ 103.23
Ward	23.10	\$ 103.95
Dunn	23.43	\$ 105.44
Mountrail	23.69	\$ 106.61
Griggs	24.57	\$ 110.57
Benson	25.44	\$ 114.48
Walsh	26.08	\$ 117.36
Stutsman	26.29	\$ 118.31
Morton	26.50	\$ 119.25
Adams	26.86	\$ 120.87
Ramsey	33.88	\$ 152.46
Stark	36.67	\$ 165.02
Eddy	37.45	\$ 168.53
Sioux	41.77	\$ 187.97
Williams	42.85	\$ 192.83
Average	20.27	\$ 91.22

Sixtieth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2012

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 human services; to provide for transfers; to create and enact a new section to chapter
3 and chapter 23-39 of the North Dakota Century Code, relating to programs for
4 special health care needs; to amend and reenact sections 25-17-02, 50-06-01.4, 50-06-01.5,
5 50-06-01.4 of the North Dakota Century Code, relating to medical food for individuals with metabolic disorder
6 medical food for individuals with metabolic disorder
7 human services; and to repeal chapter 50-
8 to crippled children.

BE IT ENACTED BY

CHILDREN AND FAMILY SERVICES
Summary by Major Division and BOC with Funding Sources
For the 2007 - 2009 Biennium Budget

ND POLICY
VALENTS (FTEs)

	Prior Biennium Expenditures	Current Biennium Budget	Total Budget Changes	Request to OMB	Optional Adjustment Requests	Executive Budget Recomm	Salary and Health	Request to the Senate
Report Budget Total:	17,000	18,000	0,000	18,000	0,000	0,000	0,000	18,000
General Funds:	100,283,863	113,047,022	2,940,861	115,987,883	0	2,991,118	161,410	119,140,411
Federal Funds:	14,887,054	17,211,750	988,189	18,199,939	0	1,032,090	90,245	19,322,274
Other Funds:	72,321,143	79,663,548	988,389	80,652,937	0	1,921,528	71,165	82,645,630
SWAP Funds:	4,988,245	5,315,682	(525,662)	5,790,020	0	0	0	5,790,020
County Funds:	217,416	164,373	(45,190)	119,183	0	0	0	119,183
IGT Funds:	7,870,005	9,478,262	1,747,542	11,225,804	0	37,500	0	11,263,304
Report Funding Total:	100,283,863	113,047,022	2,940,861	115,987,883	0	2,991,118	161,410	119,140,411

20%

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