2011 SENATE FINANCE AND TAXATION

SB 2242

2011 SENATE STANDING COMMITTEE MINUTES

Senate Finance and Taxation Committee
Lewis and Clark Room, State Capitol

SB 2242
February 2, 2011
Job # 13829
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:
Relating to the mill levy for senior citizens and programs; and to provide an effective date.

Minutes: "Attached Testimony"

The Senate Finance and Tax Committee called to order by **Chairman Cook**.

SB 2242 which contains a FN and opened by Senator Cook.

Senator Tony Grindberg, District 41, supports SB 2242. (Attached Testimony A).

Senator Cook asks **Senator Grindberg** if he heard him say "senior citizens over age 85".

Senator Grindberg replies "ND citizens over age 85".

Senator Cook asks, "What is the magic of age 85?"

Senator Grindberg states that there will be other testimony, that will be better at providing a better overview, of that 85 year old threshold.

Senator Miller asks if there are any numbers, of how much money we have put in to, as a state, for senior meal programs and those other senior programs? I am referring to an allocation total.

Senator Grindberg states he can do research on those numbers.

Senator Dotzenrod asks on Lines 9 &10, it refers to sales tax, use tax and motor vehicle exise tax and I am wondering if it is going to be used from the general fund? Why is there reference to those particular taxes? It is a transfer of general fund dollars from the state to the senior citizens mill levy match. Do you know why we are referring, specifically, to sales tax etc.?

Senator Grindberg states he does not know the answer to that.

Senator Dotzenrod asks if SB 2242 requires an appropriation?

Senator Grindberg states it has a fiscal impact. It would have an appropriation to match.

We could put an appropriation on an appropriation.

Brian Arett, Executive Director of Valley Senior Service Providers, that provides Older American Act Services to the senior population of the state. I support SB 2242. (Attached Testimony B).

The question is asked about the" age of 85?" Does it have anything to do with the amount of money you get in any of the programs or how you spend your money? Any significance to the age of 85?

Brian Arett states that the age of 85 cut off, doesn't have a thing to do with the amount of funding we receive. The funding, that we do receive, is through the Older Americans Act and it directed to us, through the Dept. of Human Service, Aging Services Division. That funding pays for a part of the services, we provide. In my agency, that funding is not sufficient, to reimburse a portion of the cost of the meals, that we do. We receive funding through about the middle of November. Then we have to self fund services. That funding does not pay for 100% of the cost of a meal. It pays for $3.50 towards a $7.50 cost, of each of the meals we do. So this is intended to help to "shore up" the additional funds, that, we as an agency, have to raise from November 15th on. It will also help us to meet growing costs that are not being funded, by the Older Americans Act fund.

The question is asked, "What is your total budget?'.

Brian Arett states it is $3.2 million dollars. That is for 6 county portions in SE ND.

The question is asked, "What portion comes from the Federal Government?"

Brian Arett states that just under $1,000,000.

The question is asked, "Do you get the local tax from the property tax from the county?

Brian Arett states that "yes" in 2010, we received $650, 000 from Cass County.

The question is asked, "Anything "in kind" contributions to raise money or ask for money?

Brian Arett states that the Older Americans Act, does not allow us to charge a set price for the meals that we do. We ask for donations. The donations, we received in 2010, were about $650,000.

Senator Triplett asks about the Older Americans Act. You referenced, that it allows you to set a "set price", for meals. Is the, "set price" the real value of the meal or is there a subsidy for everyone who come in, at some level?

Brian Arett states that the Older Americans Act does not allow us to charge a "set price" to seniors that come have a meal. It allows us to suggest a donation. The suggested donation for our agency is $3.50/meal but that varies across the state.

Senator Triplett states that she has eaten meals at various senior citizens centers. What they ask for payment, appears to be less than the real value and you confirmed that. Why would you not ask, for those who are not under the Older Americans Act, the full price?

Brian Arett states that if a person is under the age of 60, which is the Older Americans Act criterion, we do charge the full price and required to ask the full price.

Senator Triplett asks if you can't charge the full price, to people over the age of 60, by federal law, is that subsidy you are getting from the federal government, sufficient to cover the difference, between what you can charge and what the full price would be?

Brian Arett states the subsidy, we receive from the state of ND, which is from the Older Americans Act, is $3.50/meal. The state limits the number of meals that providers can get reimbursed for. In our case that means after November 15th we are not being reimbursed or subsidized for any of the meals, we provide. So that is why, we need to seek out additional funds. We are getting squeezed at the end of the year.

Senator Triplett states what the older citizens, really need and want, is the in-home services, which allows them to stay in their homes and not have to move to assisted living or nursing homes. My point being, if there is no way to make up the real cost of meals in senior citizens centers, maybe you are all putting too much emphasis on "congregate meals". Possibly, you need to be working harder, to do the in-house services. If the federal rules, don't let you be rational about how to make it work from a cost factor, maybe that could be redirected into the outreach services and transportation services etc.

Brian Arett states that when I mentioned our funding runs out, Mid November for our meals, that is not only meals for our senior center but funding for "meals on wheels". With respect to meals at senior centers, there is a tremendous value to having a place for senior citizens to go to. Also, it is a tremendous value to encouraging them, to get out and congregate with their friends. If we were to limit the number of meals in a community dining center, my guess would be that, it would increase the number of 'meals on wheels", we would have to do.

Pat Hansen, Director of South Central Adult Services, a rural service provider for 7 ND counties supports SB 2242. (Attached Testimony C).

Question is asked about the snow removal in Valley City, does that have an asset test, to qualify?

Pat Hansen states that they have a required fee, that we waive, in the case of the outreach worker requesting the fee, to be waived, due to situation. We absorb that cost completely. We charge up to $9/hr. It costs us more than that for the service. We can require payment, it is not funded under the Older Americans Act but we do have to make compensation for transit system. We provide free ride tickets to Social Service Agencies in all of our counties.

Senator Triplett asks if she has any notion, from the numbers Senator Grindberg provided us, of what portions of these older populations, you are providing services to? Do you have

a number across the state, of the "unduplicated user" concept of what proportion of our older people are accessing services, at some level?

Pat Hansen states that they do but does not have information with her. I think our "unduplicated column" is around 3000 people, just from her project.

Senator Triplett states we hear about people living longer and living healthier. So just the fact that the population is aging, doesn't tell the story so much as, the curve of who has access.

Pat Hansen states that is very true. The services that we provide now are the very frail, very incapacitated people, that need a lot of services. We do have statistics, when we testified on the Human Services side, about the percentage of people that we serve, are become older. Statewide, we are maintaining about 310 people, who are nursing home eligible. They are screened "nursing home eligible" that would be on Medicaid, immediately, upon entrance to a nursing home. That would cost the state about $38 million, if they all went into the nursing home. What we do is much cheaper.

Senator Triplett asks, how did you come up with the dollar amount you wanted to put in SB 2242?

Pat Hansen states that we are use to "not getting" very much. We are all use to operating on "shoestring budgets" for most of our careers. We also have a request in to get reimbursement for the $3.50, which obviously doesn't cover all the expenses, but would help us, which is under the Human Service bill. We are hopeful, that we can combine funding and get things better, than they have been.

Senator Triplett asks when your group was thinking about this bill and thinking about what to ask for, did you think about it from the perspective, of what would really solve your problem, as opposed to just making things better?

Pat Hansen states, "No, we didn't look at it from really solving the problem". I think that part of the reason was, originally, when the mill levy and the state match was passed, if we were getting the match on one full mill, and that helped a lot then. It got cut and is now down to 2/3rd now.

Kent Tupa, represents the **ND Senior Service Providers**. I am handing out amendment to SB 2242. (Attached Testimony D).

No testimony opposing SB 2242.

No neutral testimony on SB 2242.

Hearing is closed by Chairman Cook on SB 2242.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Finance and Taxation Committee
Lewis and Clark Room, State Capitol

SB 2242
2/7/2011
Job Number 14076

☐ Conference Committee

A. Rittmiller

Explanation or reason for introduction of bill/resolution:

Relating to the mill levy for senior citizens and programs.

Minutes: Committee Work

Chairman Cook opened discussion on SB 2242.

Chairman Cook – Senator Triplett I'm going to speak to the issue that you raised earlier about maybe the need that for these folks is greater than what they ask for. This is personal experience; I'm chairman of the Morton County Housing Authority. We tend to be a second financial source for senior citizen services in Morton County. We have contributed $50,000 to the town of Glen Ullin so that they could buy a building where they house their senior citizens. The senior citizen center in Hebron, we have made contributions to them on numerous occasions. We have made considerable contributions to Mandan Golden Age Services. One of the things we always do before we consider granting those dollars is looking at their financial statements to really be able to get a handle on the need and there are some that have some needs and we support it. They are not all in dire shape. The point I want to make is twofold there that I think before we judge exactly what their needs are I like to take a look at what the records they have behind them are to show that. It's a program that they cannot charge for. It's a program that was put in place to help needy people and today in Mandan I can show you where these meals are served and I can show you the people that are eating these meals, and they are a far cry from needy. They are going there to save a few bucks. I've often talked to people who run these programs. I understand you can't charge, but can't you put up some sort of sign. My mother-in law, 3 days a week meals were provided for seniors at the Community Center. One, it's very affordable, and two, she went down there just for the fellowship she got with being able to eat lunch with some friends, and it's a great program.

Senator Triplett – I certainly have seen some of the same thing at the senior citizen center in Grand Forks. There are people eating there who clearly could afford to pay for it, but that doesn't take away from the fact that there are also people who eat those meals and access those services who could not afford to pay. My point is just that having places for elderly people to go to where they still have a sense of community where they have something that gets them out of the house and keeps them moving. Subsidizing a couple of bucks for the meals for the people that could afford it, lets just consider that they are being paid very

modestly for social work of providing company for the other people who can't afford it. I think the reason for the program is to make it available across the board so that it isn't perceived as a welfare program. That it's just a community function and encourages both those who have means and those who don't have means to come together in a place where they can find that fellowship that was important to your mother-in-law. Certainly the people who can afford it could probably go elsewhere like you say, but that leaves the poor people sort of marginalized and set apart in a ghetto like atmosphere so I think there is some benefit to having it open and available in welcoming to everyone. Whether or not there may be some senior citizens center who may be in good financial shape because of the generosity of other organizations like the ones you described, I think doesn't take away from the fact that there are a lot of them out there who are really struggling to make ends meet. It just seems to me that it wouldn't hurt us in this time of relative ease for state government to help local government and this is a way of helping local government, by taking some of the burden off other programs for this kind of thing. I would move on SB 2242 on line 11 that after the word 'one' we insert 'and a half' and the word 'mill' to 'mills'. One and a half mills.

Chairman Cook – 1.5

Senator Triplett – Or however the correct way of saying it is.

Seconded by **Senator Dotzenrod**.

Chairman Cook – Back to my first comment. They came in and asked for 1 mill. I think before this committee ever considers giving them more we should have more evidence before us of a need other than the anecdotal information that we heard at the podium here. That is the statement I wanted to make about looking at some financial data.

Senator Oehlke – I agree with you on this situation. Our area that provides these meals, it's big and there is a big need out there, but if they felt they needed more than 1 mill, believe me, they would be on my case and they are not. I think the 1 is probably going to be adequate.

Vice Chairman Miller – I'd like to know more about how all the money that they get, see some charts or something about federal money, state money, local money, and understand the relationship. I got some numbers from my local Walsh County and it's not very clear. It's things like that, I'd like to understand how all these programs are intended to work and if there's maybe someday somehow some way we could roll them into other programs through nursing homes or whatever. Get on one page rather than the way we do it.

Chairman Cook – This is one of them that you have a partnership of federal government, state government, and state policy and local policy.

Chairman Cook – Any other discussion on the amendment before us? All in favor of raising the 1 mill to 1.5 mills say yea. Opposed? (2-5-0) Failed

Chairman Cook – We do have another set of amendments I see that were proposed to SB 2242.

They went in to discussion regarding that amendment. What the amendment is and who proposed it.

Senator Oehlke moved the Tupa amendment.

Seconded by **Senator Triplett**.

Senator Dotzenrod – It looks like what this amendment says is that there are counties out there that don't have the mill levy but they have cities within the counties that do have the mill levy and the way the distribution is set up, they want to make sure the city gets it's mill levy but the county that does not, that there is a separation there. The grant may not be made to any county that is not filed with the State Treasurer a written report verifying for the previous year, they have been budgeted. I think that's all this amendment does. The cities should get the grant that this 1 mill would provide and if the county does not have a mill levy, then the county should not get that. Is that all it says?

Chairman Cook – That's what I'm reading also.

Senator Dotzenrod – I assume that the cities are filing this report that shows what they have budgeted? It says you can't give money to a county that does not file a written report.

Senator Triplett – I think all that is currently in law the only change here is deleting the 2/3 so that it goes back to matching the full mill that we are now proposing in the bill. I think that's the only change, is to make sure that the money that the treasurer sends out is equivalent to the amount of money that the counties have collected so that the reports match on the in and the out, otherwise the money would just pile up in the treasurer's office and would not be allowed to be dispersed if we left that 2/3 in there.

Senator Dotzenrod – I thought this was to create a new section, it's not. We are amending section 5715.

Chairman Cook – All in favor of the amendment signify by saying yea. Opposed? (7-0-0)

Chairman Cook – We have before us SB 2242 as amended.

Senator Triplett moved a Do Pass as Amended and rerefer to Appropriations.

Seconded by **Senator Oehlke**.

Senator Hogue – As I read the bill it looks to me like the funds come out of the sales use and motor vehicle excise tax, but it's an amount that is equivalent to a 2/3 mill on the taxable valuation of all property in the state. Did we get any testimony on what the valuation of property has done in the state or is that not relevant to how much revenue they get with this 2/3 mill?

Chairman Cook – 75 mills will cost us $46 million. Divide $46 million by 75 and you have the value of 1 mill.

Senator Dotzenrod – It looks like they are taking 1 mill across all the property of the state and putting it in the fund and then at the end of the year anything that isn't used is transferred back to the general fund.

Chairman Cook – And it's a match so local political subdivision has to make their levy in order to reach the funds and if somebody doesn't do it the funds go back.

Chairman Cook – We have before us SB 2242 as amended with a Do Pass and rerefer to Appropriations. Any other discussion? Ask the clerk to take the roll. (7-0-0)

Carried by **Senator Oehlke**.

FISCAL NOTE

Requested by Legislative Council
03/30/2011

Amendment to: Reengrossed SB 2242

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			($350,000)	$350,000		
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Re-engrossed SB 2242 with House Amendments increases the amount of state general fund revenue that will be allocated to the senior citizen services and programs fund from the dollar equivalent of 2/3's mill of taxable valuation of relevant property to 3/4's mill.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

If enacted, re-engrossed SB 2242 with House Amendments is expected to reduce the general fund share of sales and motor vehicle excise tax revenue by an estimated $350,000 in the 2011-13 biennium. This amount will be transferred to the senior citizen services and programs fund.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Kathryn L. Strombeck	Agency:	Office of Tax Commissioner

Phone Number:	328-3402	Date Prepared:	03/30/2011

FISCAL NOTE

Requested by Legislative Council
02/22/2011

Amendment to: Reengrossed SB 2242

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Re-engrossed SB 2242 increases the amount of state general fund revenue that will be allocated to the senior citizen services and programs fund from the dollar equivalent of 2/3's mill of taxable valuation of relevant property to one mill.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

If enacted, re-engrossed SB 2242 is expected to reduce the general fund share of sales and motor vehicle excise tax revenue beginning with the 2013-15 biennium. We do not have a forecast for that biennium, but it is likely the impact will be at least -$1.6 million per biennium.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Kathryn L. Strombeck	Agency:	Office of Tax Commissioner

Phone Number:	328-3402	Date Prepared:	02/22/2011

FISCAL NOTE

Requested by Legislative Council
02/09/2011

Amendment to: SB 2242

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			($1,530,000)	$1,530,000		
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Engrossed SB 2242 increases the amount of state general fund revenue that will be allocated to the senior citizen services and programs fund from the dollar equivalent of 2/3's mill of taxable valuation of relevant property to one mill.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

If enacted, Engrossed SB 2242 is expected to reduce the general fund share of sales and motor vehicle excise tax revenue by an estimated $1.53 million in the 2011-13 biennium. This amount will be transferred to the senior citizen services and programs fund. (Based on the statement of legislative intent in Section 1 of Eng. SB 2242, local matching funds may increase as well.)

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Kathryn L. Strombeck	**Agency:**	Office of Tax Commissioner
Phone Number:	328-3402	**Date Prepared:**	02/10/2011

FISCAL NOTE

Requested by Legislative Council
01/18/2011

Bill/Resolution No.: SB 2242

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			($1,530,000)	$1,530,000		
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2242 increases the amount of state general fund revenue that will be allocated to the senior citizen services and programs fund from the dollar equivalent of 2/3's mill of taxable valuation of relevant property to one mill.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

If enacted, SB 2242 is expected to reduce the general fund share of sales and motor vehicle excise tax revenue by an estimated $1.53 million in the 2011-13 biennium. This amount will be transferred to the senior citizen services and programs fund.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
   A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

   B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

   C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Kathryn L. Strombeck	Agency:	Office of Tax Commissioner
Phone Number:	328-3402	Date Prepared:	02/01/2011

11.8176.01001
Title.02000

Adopted by the Finance and Taxation Committee

February 7, 2011

2-7-11

PROPOSED AMENDMENTS TO SENATE BILL NO. 2242

Page 1, line 1, after "reenact" insert "subsection 5 of section 57-15-56 and"

Page 1, line 2, after the first "to" insert "a matching grant from the senior citizen services and programs fund to counties and"

Page 1, after line 4, insert:

"**SECTION 1. AMENDMENT.** Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to ~~two-thirds of~~ the amount levied in dollars in the county under this section for the taxable year, but the matching fund grant applies only to a levy of up to one mill under this section.

It is the intent of the legislative assembly that counties or cities allocate an amount equal to ~~one-third of~~ one mill of property tax revenue from their funds raised or received under section 57-15-06, 57-15-08, or 57-39.2-26.1, or any combination of those fund sources, for senior citizen services and programs for each taxable year. A continuing appropriation of state matching funds and expectation of a local matching fund effort is initiated because of the anticipated increase in state aid distribution fund allocations, with the intent of stabilizing matching funds for senior citizen services and programs at a funding level of one mill for all participating counties. A county is not required to provide the ~~one-third of~~ one mill matching funds if the county program can be covered with the funding from the state and the levy under this section in the county. It is also anticipated that this change in funding will allow reduction of mill levies under this section in some counties, which will allow allocation of unused amounts under section 57-39.2-26.2 among counties levying the statutory maximum amount for taxable year 2004."

Renumber accordingly

Date: 2-7-11
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

Senate Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Oehlke Seconded By Senator Triplett

Senators	Yes	No	Senators	Yes	No
Dwight Cook – Chairman			Jim Dotzenrod		
Joe Miller – Vice Chairman			Connie Triplett		
Randy Burckhard					
David Hogue					
Dave Oehlke					

Total (Yes) 7 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Verbal vote

Date: 2-7-11
Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

Senate Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☒ Rerefer to Appropriations ☐ Reconsider

Motion Made By Senator Triplett Seconded By Senator Oehlke

Senators	Yes	No	Senators	Yes	No
Dwight Cook – Chairman	X		Jim Dotzenrod	X	
Joe Miller – Vice Chairman	X		Connie Triplett	X	
Randy Burckhard	X				
David Hogue	X				
Dave Oehlke	X				

Total (Yes) 7 No 0

Absent 0

Floor Assignment Senator Oehlke

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2242: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2242 was placed on the Sixth order on the calendar.

Page 1, line 1, after "reenact" insert "subsection 5 of section 57-15-56 and"

Page 1, line 2, after the first "to" insert "a matching grant from the senior citizen services and programs fund to counties and"

Page 1, after line 4, insert:

"**SECTION 1. AMENDMENT.** Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to ~~two-thirds of~~ the amount levied in dollars in the county under this section for the taxable year, but the matching fund grant applies only to a levy of up to one mill under this section.

It is the intent of the legislative assembly that counties or cities allocate an amount equal to ~~one-third of~~ one mill of property tax revenue from their funds raised or received under section 57-15-06, 57-15-08, or 57-39.2-26.1, or any combination of those fund sources, for senior citizen services and programs for each taxable year. A continuing appropriation of state matching funds and expectation of a local matching fund effort is initiated because of the anticipated increase in state aid distribution fund allocations, with the intent of stabilizing matching funds for senior citizen services and programs at a funding level of one mill for all participating counties. A county is not required to provide the ~~one-third of~~ one mill matching funds if the county program can be covered with the funding from the state and the levy under this section in the county. It is also anticipated that this change in funding will allow reduction of mill levies under this section in some counties, which will allow allocation of unused amounts under section 57-39.2-26.2 among counties levying the statutory maximum amount for taxable year 2004."

Renumber accordingly

2011 SENATE APPROPRIATIONS

SB 2242

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

SB 2242
February 11, 2011
Job # 14406

☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A bill relating to a matching grant from the senior citizen services and programs fund to counties and the mill levy for senior citizen services

Minutes: See attached testimony # 1-3.

Chairman Holmberg called the committee hearing to order on SB 2242. Roll call was taken. Becky J. Keller - Legislative Council; Joe Morrissette - OMB.

Senator Tony Grindberg, State Senator, District 41- Testimony attached - # 1

Senator Kilzer - Commented that since 1971, we've added the SPED (Service Payments for Elderly and Disabled) program mainly to provide special services to keep people from having to go to nursing homes, and meals for aging services. He asks if there is a lot of duplication.

Senator Grindberg – Replies it is his understanding the goal of 1-1 match is the intent of this bill.

Pat Hansen, Director of South Central Adult Services
President of ND Senior Service Providers (NDSSP) - Testimony attached - # 2.

Hanson – Replies to Senator Kilzer's question. She says they do not get any funding from the SPED program. She remarks in her project alone 40% of services are to people over the age of 85. She said they have a request in for funding for the meals program because they are not being reimbursed. They had 13,000 meals which they did not receive any reimbursement from the Older Americans Act or from the State funds. She points out that the Mill levy increase is $38,000 in her region. She said they are trying to keep centers open in small towns. She says in many of her counties the senior centers are getting little or nothing for their utilities and expenses. She continues on to explain matching grants for a retirement program and an increase for the insurance payment for employees. She explains how they use the Mill levy money such as snow removal, yard care, loan equipment such as wheelchairs, walkers, shower chairs etc.

Senator Wardner – Asks if she could list some of the activities they do.

Pat Hansen – Replies they do congregate meals at the senior center, home delivered meals, outreach, they are trained to do the SHIP program. Outreach programs – elderly transportation, chore service (snow removal and lawn care), utilities for the senior centers where they use space. She goes on to say they do not own the senior centers, but use what is there and that some counties get no reimbursement for their use.

Senator Wardner – Says he would like to know how SPED and this comes together.

Pat Hansen – Explains they are different groups. She says her agency has become a qualified service provider for the home delivery meals program and gets paid thru the SPED program. She said they maintained it for 3 years and never got a referral. The requirements are excessively strong. They have to be removed from a nursing home or at the edge for them to receive that. She states her groups services keep them from getting that close to the edge before they go to nursing homes. She says if they get them to doctor appointments and home delivered meals, they never enter the SPED program or a nursing home.

Senator Bowman – He asks what percentage of meals are actually paid for by the person you take them to and what is % of people that do that.

Pat Hansen – Replies it depends on counties. She gives the example of Foster County being a higher income county and their donation usually exceeds the suggested donation. She explains the average cost of the meals. She says with the Older Americans Act they are not allowed to require anyone to pay.

Senator Bowman – Says we try to keep them in their homes as long as we can and this is an opportunity to save a lot of money, but people don't contribute to that.

Pat Hansen - She said it is a very difficult balance because they have some people if they know the cost is $7.00 they will pay $7.00 others don't.

Senator Robinson – Asks her to relate an example of a lady they had helped.

Pat Hansen – Responds with how they helped a lady who hadn't been for a haircut in six years. She says they go door to door in the rural areas. She said it is amazing how many people that are out there that we don't see. She gives the example of one elderly couple that was living in a box car.

Senator Robinson – Says they try to stay on top of changing demographics but wonders what will happen when this generation passes on. He said without programs like this how would we reach these people. So many of smaller communities have lost their stores and can only get coffee and donuts at the local gas station. In 20 years, the demography is going to be so different.

Ellen Owen, Director of Burleigh County Senior Adults Program and Past President of ND Senior Service Providers (NDSSP) - Testimony attached - # 3.

Chairman Holmberg closed the hearing on SB 2242.

Committee Discussion

Senator Wanzek – Said he is intrigued by comment of elderly lady who hadn't been to town. He asks how do you find people and reach out to them

Pat Hansen – Responds that they have outreach workers and they survey the area and they make contacts. She explains that with this lady the only way she could leave her home was thru ambulance service because she was wheelchair bound. She said it is very important to have that outreach and site managers. She relates a story she had many years ago.

Senator Kilzer – Asks if in her agency they provide outreach services where they hire QSPs to do things.

Pat Hansen – Replies no, they hire their own outreach staff. She says they get reimbursed for the home delivered meal reassessments through Aging Services. She states the other things they do are paid for out of the Mill levy or local fund raising efforts.

Senator Kilzer – He asks what type of training they have.

Pat Hansen – Says it works well having someone who lives in the community that you can trust and will be there. She said they are trained by the insurance department and Aging Services trains them on dementia and what to look for when they go out and do an evaluation.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

SB 2242
02-18-2011
Job #14740 (Meter .23 through 10.27)

☐ Conference Committee

Committee Clerk Signature Alicia Delzer

Explanation or reason for introduction of bill/resolution:
A Roll Call Vote re Mill levy for senior citizen services

Minutes: You may make reference to "attached testimony."

JOB # 14740 ALSO HAS THE ROLL CALL VOTES FOR SB 2171 AND 2325.

Chairman Holmberg called the committee back to order in reference to SB 2242. All committee members were present. Tad H. Torgerson, OMB and Roxanne Woeste, Legislative Council were also present.

Chairman Holmberg made announcements concerning other bills, particularly SB 2357, the Family impact initiatives bill, and gave budget information concerning this bill.(Meter 2.58)

V. Chair Grindberg: passed out amendment #11.8176.02003 and stated it does two things. I am going to ask Roxanne to share with us one item that Senator Cook shared with us of something that needed to be corrected. The second item this amendment does is create the effective date for the one to one match beginning in 2013.He asked for someone to explain the 1st item concerning the amendment.

Chairman Holmberg: You should be looking at the First Engrossment, not the original bill.

KenTuppa, ND Senior Service Providers: The amendments 02003, the corrected amendment that you are looking at, as they apply to the Engrossed version of SB 2242; what we're doing really the amendment that was made in the Senate Finance and Tax Committee addressed the money going out. The original version of the bill as it was written indicated that there would be money, we would go up to, instead of 2/3 of a mill for the match we'd go to the full mill from the state and it's about $1.5 million is the fiscal note, and that money would be deposited in the Senor Citizens Program Fund. So the money was being allocated and deposited but we needed to take care of the money going out so the original bill had money coming in but the amendment Finance and Tax was to make sure that the money would be distributed. So money was coming in but not going out so that really is the effect of the other amendment besides the date change. That amendment is really on page 2 of section beginning with section 2. Let me step back for a moment. Page 1, Section 1, is that particular amendment. That's the money going out. Page 2, Section 2, is the money that is going in. The other changes there, page 1, line 23-24 and then page 2, line 1 through 12, that's all old

language, kind of obsolete language that maybe could have been updated in years prior but hasn't been, so that is being removed as it isn't necessary to perform the functions of this bill

V. Chair Grindberg I appreciate that. I would move the amendment. Seconded by Senator Fischer.

Chairman Holmberg: We have a motion for the amendment and a second. Would you call the roll on amendment # 11.8176.02003.

A Roll Call vote was taken. Yea: 13; Nay: 0; Absent: 0. Motion passed.

V. Chair Grindberg MOVED DO PASS AS AMENDED. SECONDED by Senator Robinson.

A Roll Call vote was taken. Yea: 13; Nay: 0; Absent: 0. Senator Oehlke will carry the bill.

Chairman Holmberg closed the hearing on SB 2242. (Meter 10.09)

11.8176.02003
Title.

Prepared by the Legislative Council staff for
Senator Grindberg
February 14, 2011

PROPOSED AMENDMENTS TO SENATE BILL NO. 2242

Page 1, overstrike lines 23 and 24

Page 2, overstrike lines 1 through 12

Page 2, line 27, overstrike "the 2005-07 biennium must be allocated among"

Page 2, overstrike lines 28 through 31

Page 3, overstrike line 1

Page 3, line 2, overstrike "end of"

Page 3, line 4, replace "2010" with "2012"

Renumber accordingly

Date: 2-18-11
Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 11.8176.02003

Action Taken: ☒ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Grindberg Seconded By Fischer

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 2-18-11
Roll Call Vote # 2

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☑ Do Pass ☐ Do Not Pass ☑ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Grindberg Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Oehlke TG neighbor

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2242, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2242 was placed on the Sixth order on the calendar.

Page 1, overstrike lines 23 and 24

Page 2, overstrike lines 1 through 12

Page 2, line 27, overstrike "the 2005-07 biennium must be allocated among"

Page 2, overstrike lines 28 through 31

Page 3, overstrike line 1

Page 3, line 2, overstrike "end of"

Page 3, line 4, replace "2010" with "2012"

Renumber accordingly

2011 HOUSE FINANCE AND TAXATION

SB 2242

2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee
Fort Totten Room, State Capitol

SB 2242
March 8, 2011
#15122

☐ Conference Committee

Committee Clerk Signature Mary Brucker

Explanation or reason for introduction of bill/resolution:

A bill relating to a matching grant from the senior citizen services and programs fund to counties and the mill levy for senior citizen services and programs; and to provide an effective date.

Minutes: *See attached testimony #1, #2, #3*

Senator Grindberg: Introduced bill. Support. Please refer to attached testimony #1. We gave this good review in the Senate and in Senate Appropriations and I would encourage you to take a look at the positive impacts that this bill can provide to seniors and programming across the state. I would encourage you to also consider the new information that will be forthcoming on timing of the bill. We put an effective date of 2013. I think you'll hear information that will help offset some of our logic to maybe have that begin sooner just by the natural progression of how budgets work at the county and local level.

Brian Arett, Executive Director of Valley Senior Services: Support. Please refer to attached testimony #2. I think that is where the difficulty was on the Senate side is when they changed the effective date to 2013 because they didn't realize the funding would not become available to us as providers until 2015. Our request of the committee is to amend the bill that came over from the Senate and make the effective date beginning after December 31, 2010 which would make funding available to providers and senior centers beginning in 2013.

Vice Chairman Craig Headland: Do you recall why this money is coming from sales of motor vehicle excise tax and why is it not from the general fund?

Brian Arett: I honestly don't know.

Representative Steven L. Zaiser: What would happen in some of those rural communities and their social clubs if this funding were not to be increased as you are proposing?

Brian Arett: I think that from the two examples I talked about are the things that are happening right now in the region that I'm in and like I mentioned, I'm sure that could be replicated in the state by taking senior centers from the more rural communities. What

ultimately happens is that senior centers end up having to shut down. In the much smaller towns that is happening already. We are trying to prevent this from happening in the medium size communities, such as Mayville, Hillsboro, Lisbon, etc. The impact if the senior centers are not there is that it's more difficult for us to find a setting to provide the services, kind of a launching pad if you want to call it that. We lose that focal point in the small town which is a big impact. I think it's fair to say that a lot of these funds end up getting spent or focused more on smaller communities. In Fargo we don't have as much difficulty finding funds to maintain senior centers as we do in rural areas. The mill levy dollars that become available end up getting spent in more of the rural areas disproportionately because of the limited amount of funding they have available.

Representative Steven L. Zaiser: Let's assume that Fargo has an adequate supply of money to provide an adequate provision of services, could you then spend money that was targeted in Cass County into a different county or is that not possible?

Brian Arett: That's a good question and I appreciate you asking that question. The answer to the last part of your question is no. We can't take money out of Cass County and spend it in Richland County or wherever as its Cass County money that needs to be spent in Cass County. We do shift money to the more rural parts of the counties and not just mill levy money but part of the funding that we receive through the Older Americans Act is focused on more rural people and more isolated people and people that live in the more remote parts of the territory that we serve. The mill levy dollars end up getting focused the same way. It costs a lot more to provide a meal or to provide a ride or to do an outreach visit to someone that lives in Paige, North Dakota, which is 60 miles from Fargo than it does in Fargo. Because of that we naturally have to shift money to the more rural areas to make sure that the people in those rural areas get the services that they need. The same thing happens with mill levy, it has to or we wouldn't be able to maintain any type of service delivery system in the more remote parts of the region.

Representative Dave Weiler: You have two paragraphs where you talk about the senior centers in Mayville currently receive $5,000 of mill levy funds and the cost of these items combined will be more than $10,000. What portion of the revenue that the senior center in Mayville takes in is this mill levy transferred? This isn't the only source of revenue obviously. You mentioned in your testimony some funding from some other areas. What is the size of the budget for some of these senior centers?

Brian Arett: I need to distinguish the senior centers and the senior clubs that exist in the small towns that we provide services in from our agency. Our agency, Valley Senior Services, is a multi service agency that provides services in the six counties in our region. Our budget is $3.3 million. A portion of that is the Older Americans Act funding and we receive from funding from the Department of Transportation, seniors make donations from the meals and we charge them a fee for rides. So that is our budget and our budget provides services that happen in the senior centers in these small towns but they exist as a separate entity, a separate 501 (c) (3), and their existence is to maintain that senior center in their community. The Mayville Senior Center has a budget of approximately $8,000 a year and $5,000 of the revenues come from the mill levy funding and then they do bake sales, raffles, fundraisers, rent their building out, etc. All the money they receive then goes into the maintenance of that building and paying for the utilities, cleaning, etc.

Representative Dave Weiler: If this bill passes this is going to be a 35 to 40% increase in your budget? You stated your budget was $3.4 million?

Brian Arett: I said that our budget is $3.3 million. If this bill passes the mill levy portion of our budget is about 15% of it so if the mill levy portion were to go up the state's match of the mill levy were to go up by ½ the increase to our budget would be ½ of ½ of 15%, so it will be something like 5%.

Representative Dave Weiler: The fiscal note says that we do not have a forecast for that biennium but it is likely the impact will be at least $1.6 million per biennium. If I take $3.4 million and add $1.6 million that's about a 35-40% increase in your budget and that's the way I look at it.

Brian Arett: I think you're doing the math right but you are misunderstanding. Our agency is one agency in the state of North Dakota that receives funding through the mill levy match program that is in one region of the state. The full $1.6 million fiscal note is going to be spread in two years and will go to all the providers across the state. The amount that will come in to Cass County in our region will be significantly less than ½ of the $1.6 million.

Representative Dave Weiler: Why was it decided to put this off until the year 2013?

Brian Arett: I'm not the best person to answer this question. I think there was a misunderstanding about what the impact of changing this language to 2013 would be. I think the thinking was that if they made it effective 2013 we would receive funding in 2013 but because of the timing issues connected with the treasurer's office we won't actually see the dollars under this language until 2015. They certify the tax levies in 2013 payable in 2014 which means they don't establish the amount the state match is until the check is cut for 2015. I think it was a misunderstanding but Senator Grindberg would be better at answering that than I am. I think part of the intent was to cut the fiscal note in half. I think their thinking was that if they started it effective in 2013 the fiscal note would be $800,000 instead of $1.6 million. Again, I'm a bit out of my league here so I'll stop.

Representative Steven L. Zaiser: How many service providers like you provide in the six county areas in Fargo are there in the state?

Brian Arett: As I mentioned in my testimony there are 26 agencies that are members of North Dakota Senior Service Providers. The department actually contracts with eight entities for the provision of Title III services with one in each region. Many of those entities subcontract within their region.

Representative Steven L. Zaiser: Do you have any studies that show there is a benefit of individuals staying in their home versus going into an assisted living facility or a nursing home?

Brian Arett: I'm going to say that if people can receive services in their homes they are going to be happier. It is going to be at the level that they want to receive services. I think that is going to have an impact on their quality of life. I think it will extend their life because

they are going to be in a setting they want to be in. As far as studies that show if we provide services in a community setting and if it is better than an institutional setting, I almost think it goes without saying that it is.

Representative Wayne Trottier: If I didn't say something my senior center at home would kill me when I get home. I've had more emails and when I go home they attack me on this and I understand why and I agree with them. I've observed that a lot of these elderly people when they eat there that is their primary meal for the week because they said when they eat alone at home they don't eat very much. But when they come out people say they really take on the food. My mom is in this situation and she would be in the home if it weren't for meals on wheels. When she is able to go uptown she eats like she is still milking cows. I know the senior center in Northwood is really struggling right now with fuel costs for heating and for the rise in food prices. Please pass that on.

Brian Arett: I know that you didn't ask a question but I will let them know that you made some comments.

Chairman Wesley R. Belter: Do you know why there is all the struck language on the bottom of page 1 and top of page 2?

Brian Arett: My understanding is that language was obsolete and it didn't serve a purpose anymore. I wasn't responsible for that so I can't truly answer that.

Vice Chairman Craig Headland: This program has predominantly been funded at the county level. They have the ability to raise mills, don't they? Why are we trying to shift the cost to the state?

Brian Arett: The mill levy match program provides a portion of the funding that our agency receives. We receive funding through the Older Americans Act which is federal funding and we receive donations from people for services and a whole broad array of sources of funding that helps us to provide the services we do to help people stay in their homes. When this was originally established it was a dollar for dollar match and we went backwards over the years. We were as low as $.42 on the dollar with the state providing $.42 for every dollar that was levied locally. For us we think that the state has a part to play in helping seniors maintain independence. We think that there is a benefit to the state and to the taxpayer as a whole when people can be assisted in staying in their homes. We think it's less expensive, healthier for the individual, and more desirable from the individual standpoint. I think the suggestion I would make is the reason we're here is because we think the legislature has a role to play and we think there is a tremendous benefit to the taxpayer of the state when services can be provided in a less expensive way to help people stay in their homes versus having to go to an institution.

Vice Chairman Craig Headland: I don't know that I disagree with anything you said. I think the state, if they've played a part in funding this in the past, would continue that. It is a program that is run by the counties and I'm not so sure the programs that are run in one area of government but funded by another area work all that well.

Brian Arett: Certainly not wanting to disagree with you. We are not a county agency. We are not at the county level of government. We operate in six counties in our region but we are not a county agency at all. We receive some funding from the county and from different cities and communities that we are in, and from the state of North Dakota as well. I don't know of any provider that is doing the services that we are talking about that get covered by mill levy that are county agencies. I don't think any of them are.

Representative Patrick Hatlestad: If you're literally on the brink, is a 1/3 of a dollar enough so you don't tip over?

Brian Arett: If you want to make it more we certainly wouldn't disagree with you. That said, with all the 26 members of this organization are nonprofit entities and we have learned to exist on not as much as other entities. We wanted to come with something that was reasonable and was defensible that made sense. The same question was asked on the Senate side and I gave the same answer, if you want to put more in that would be great but this is what we think we can defend and this can help us in what we are trying to do.

Representative Dave Weiler: Your organizations have learned to deal with less and if you would have been here since January 4 you would have seen that there is nobody in the state of North Dakota that is getting enough money. You said this was originally a dollar for dollar match and now we are at 2/3 of a dollar. When did we go backwards?

Brian Arett: Originally the way this was established there was a flat dollar amount that was appropriated. That flat dollar amount initially covered dollar for dollar but the appropriation was not increased over the years so the amount of coverage decreased. We've been working on this for the past five or six sessions to try and get it back to dollar for dollar.

Pat Hansen, Director of South Central Adult Services: Support. Please refer to attached testimony #3.

Representative Shirley Meyer: I'm such a big fan of Eldercare and I've seen firsthand all the good that it does. Is Eldercare a subcontractor or is that just what we call this or is that a senior service provider?

Pat Hansen: Elder care is my counterpart in Dickinson. She is the contract agency and she contracts with the state and the Department of Human Services as I do and then they manage those programs out in the rural area. She is one of us.

Representative Shirley Meyer: So she's a subcontractor?

Pat Hansen: She's a subcontractor of the Department of Human Services but she isn't equal to us, she is a subcontractor as are we with the Department of Human Services for the meals and outreach programs.

Representative Shirley Meyer: Eldercare is just the terminology?

Pat Hansen: That's just the name of their program. Mine is South Central Adult Services. We changed ours from Eldercare because of the public transit issues about 20 years ago.

Representative Steven L. Zaiser: What is the difference in the quality of lives for people staying in their homes versus people going into nursing homes or institutional settings?

Pat Hansen: I have never in all my years ever had a senior ask to be sent to the nursing home. The quality of life is not comparable. Nursing homes are a necessity when it gets to a certain point. I have testimony that we are using on SB 2012 that has a listing of how many people that we've taken direct statistics on everything that we do. Every client has to be assessed and we are serving 931 clients that are nursing home eligible based on their activities of daily living. They meet or exceed the requirements for nursing home entry. Of those, 310 of them are low enough income that they would go in on Medicaid. If those people went in that is $37 million a biennium that it would cost in Medicaid funds. We really have been used to doing with nothing for a long time. Most of us who have been around for a number of years have never had benefits. We do what we do because we love what we do. It's hard for me when I hear people talking about things that really don't matter to us; the people are what matter.

Representative Steven L. Zaiser: Am I correct in interpreting the legislation that the state match is only on the first mill in each county?

Pat Hansen: Yes, it is. That was under state law also. We've been tapped on those revenues forever. It was only one mill initially and it took an act of Congress about 10 years ago to let us go to two mills.

Representative Wayne Trottier: I think I have a quick fix to the problem. There is a corn check off for corn growers and the corn people promise we would not see food prices go up when they took ethanol on, is that true?

Chairman Wesley R. Belter: I believe that is the case.

Representative Wayne Trottier: Could the corn growers help subsidize this program? (Laughing.)

Representative Shirley Meyer: If this had an emergency clause placed on it when would the funding be available?

Ken Tupa, North Dakota Senior Service Providers: In the original bill the effective date used to determine the taxable valuations and determine the amount of matched money it was to be after December 31, 2010, so 2011 would be the year that it would be used to determine the amount of money for the match program. So using the original bill 2011 information would be provided to the Treasurer's Office by November of 2012 and the payments would be made using 2011 valuation by February 2013. An emergency clause, even going back to the original date, would be paid in 2013. An emergency clause under the amended version you have before you would be 2015. That is the way the system works because you delay in the process in order to determine the valuation for a particular year and then it takes a year and a half before that is paid.

Representative Shirley Meyer: What I'm looking for is language to make this available for 2012 at the latest. Can you do that?

Ken Tupa: I suppose we could set that year for valuation for 2010 then it would be paid in February of next year. That would be a way of doing it.

Representative Glen Froseth: I believe the reason the funds are taken from the motor vehicle motor excise tax because a lot of the monies were used for transportation, is that right?

Ken Tupa: I don't recall. I believe that question came up in the Senate as well. I think there was some discussion on the sales used in motor vehicle taxes effect general funds so maybe it is just another way of saying general funds. I don't have the history so I can't give an exact answer on that. There is transportation provided so that could be part of it.

Representative Dwight Wrangham: If we wanted this to go into effect the date of the original effective date which was after December 31, 2012, and changed this to December 31, 2010, would that do it?

Ken Tupa: I believe it would make it effective this year and payable in February 2012.

Representative Steven L. Zaiser: I think it was the first year I was out here and I was in the rural transportation services and they supported the concept but they didn't like where I was proposing to take the money from and so this is how it ended up there.

Ken Tupa: In regards to the counties and their levying and funding, in 2007 four counties levied the maximum two mills, in 2008 nine mills, in 2009 10 mills, and in 2010 12 mills. I believe the counties when they can are trying to meet the obligation of providing additional funds. In North Dakota there are two counties that do not levy are Billings and McKenzie, so if they don't levy they wouldn't be eligible for matching funds. According to the information I have as of June 2010 there are four counties that levy less than one mill so the difference between those and the rest would be levying a mill or higher and there are a number that levy the maximum at two.

Chairman Wesley R. Belter: These counties that don't levy, are they taking money out of their general fund and using it to support this program?

Pat Hansen: To pass the initial mill levy when we go to the counties they have to approve it by a 2/3 vote and when the state allowed us to levy up to two mills that has to also be done in an election in each individual county. Some of the counties were reluctant because they could levy up to two but they couldn't levy two without taking it to the public for a vote so I think some of them left it the way it was. I've worked for the county weed board for the past 20 years on the side and when I first realized where our funding came from I found out we levied three mills for weeds and only one mill for our seniors so I was quite appalled. Now I understand why but it is difficult.

Chairman Wesley R. Belter: No further testimony. Closed hearing on SB 2242.

2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee
Fort Totten Room, State Capitol

SB 2242
March 23, 2011
#15878

☐ Conference Committee

Committee Clerk Signature Mary Brucker

Explanation or reason for introduction of bill/resolution:

A bill relating to a matching grant from the senior citizen services and programs fund to counties and the mill levy for senior citizen services and programs; and to provide an effective date.

Minutes: *See attached amendments.*

Representative Wayne Trottier: Distributed two amendments and reviewed. Please refer to attached amendments. Amendment 3003 is graduated and starts at 80% of a mill going to 85% getting up to one full mill in 2015. Amendment 3002 is a straight 80% of a mill. Mr. Walstad put the numbers in the amendments.

Vice Chairman Craig Headland: Let's stick with one amendment at a time. Which amendment would you like to talk about?

Representative Wayne Trottier: Let's talk about 3003 first with the graduated scale going from 80% to one full mill in 2015. **I'll move the amendment.**

Representative Scot Kelsh: Seconded.

Vice Chairman Craig Headland: I'm going to resist this amendment because I think that if we're going to put into legislation something of an increase we will want to be able to come back and address it in the next session rather than have the automatic step ups in it.

Representative Dave Weiler: I just want to make sure that the appropriation is for the added .13 of a percent and it's not an additional $275,000 is it?

Vice Chairman Craig Headland: I believe that $274,000 would be in addition on top of the 2/3 moving to 8/10.

Representative Wayne Trottier: I believe this would be a backwards pay to fix them up for 2011 and bringing it up to the 8/10.

John Walstad: That's exactly right. This would be a supplement to what has gone out. The $274,480 appropriation is to supplement the payment that has gone out this month, March 2011. The 80% rate in the amendment would apply to the payment going out in March 2012 and March 2013.

Representative Steven L. Zaiser: In visiting with Mr. Walstad along with Representative Trottier then in talking with the lobbyist, there was some conflict in terms of the appropriate language to get us to the different years. I don't know if the intent of the language works as Representative Trottier is intending to do or if there was language that didn't work what happens?

John Walstad: I didn't speak with the person who had the concern but the last change in the amendment, changing 2012 to 2010; I think covers from what he perceived to be a gap of a year.

Representative Dave Weiler: The $275,000 would be to cover the start of the biennium. This amendment puts the bill into effect in taxable years after 2010 so they would get the money in 2012. The $275,000 is to give them money for the start of the biennium which would be starting July 1, 2011. So we are doubling the amount of money that the governor has in his budget.

Vice Chairman Craig Headland: I think the amount in the Governor's budget stays the same. This is a whole bunch more money that is off budget.

Representative Shirley Meyer: I would like to request a recorded roll call vote but I'm hoping we can support this amendment. When you look at the amount of monies involved, I just pulled up a few funds this morning and we will have $620 million in our permanent oil trust fund, $330 million in the budget stabilization fund, $612 to $619 million in the legacy fund, $388 million in our property tax sustainability relief fund, $60 that the Bank of North Dakota got to keep that they usually transfer, etc. So when we're talking about a $1 million appropriation to our senior citizens it is a relative issue.

Vice Chairman Craig Headland: You maybe have not seen the last fiscal impact of all the bills that are pending. As of this morning we are $74 million over the governor's budget and the funds are drained.

Representative Shirley Meyer: I have seen it and I have read it and those will be adjusted. I'm talking about just having $1 million for our senior citizens for a very important program.

Vice Chairman Craig Headland: That would be in the $1.2 million plus an additional appropriation of over a quarter of a million dollars. This bill is much bigger.

Representative Shirley Meyer: It would be $1.5 million.

Representative Dave Weiler: When we were talking yesterday, this amendment we are talking about 3003, do we have a fiscal note on this because it's not quite $1.2 million, it wouldn't be because it's a step up. Did you get a fiscal note on this amendment?

Representative Wayne Trottier: No, I didn't.

Representative Steven L. Zaiser: Since the appropriation is in the bill I don't think you need a fiscal note.

Representative Dave Weiler: I don't think the appropriation is in the bill. The appropriation is for the money that's catching up through the end of this calendar year. We are increasing the mill in this amendment from 2/3 to 80% for the year 2012, so what is the fiscal note on that? Then we're going to increase it to one full mill in 2013 so there's a cost to that as well. The fiscal note on this amendment is not $274,480. We don't know what the fiscal note is.

Vice Chairman Craig Headland: We're not going to address this amendment until we know what it is exactly going to cost. Representative Trottier, I suggest you get to the tax department sometime before noon because this bill is going out before noon.

Representative Wayne Trottier: I believe the original bill showed a $1.53 million fiscal note.

Vice Chairman Craig Headland: The original bill had different dates in it and I don't think anybody is clear so I suggest if you want us to address this amendment you get the fiscal impact to us and you better get it quickly.

Representative Dave Weiler: Could I request that Representative Trottier also get the fiscal note for the other proposed amendment?

Vice Chairman Craig Headland: We will stand at ease and wait until Representative Trottier gets the information we are seeking.

Representative Wayne Trottier: I would like to ask the person who seconded my motion to withdrawing as I would like to withdraw my original motion.

Vice Chairman Craig Headland: I've checked with counsel and according to Mason's rules we don't need the second to withdraw.

Representative Wayne Trottier: I withdraw my motion.

Vice Chairman Craig Headland: With that we will adjourn.

2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee
Fort Totten Room, State Capitol

SB 2242
March 22, 2011
#15802

☐ Conference Committee

Committee Clerk Signature Mary Brucker

Explanation or reason for introduction of bill/resolution:

A bill relating to a matching grant from the senior citizen services and programs fund to counties and the mill levy for senior citizen services and programs; and to provide an effective date.

Minutes: *No attachments.*

Representative Wayne Trottier: I thought about an amendment on this but I think we can just do it as is with one minor change and that is the effective date. We could replace 2012 with 2010 and that would make it not able to start until 2013 because of the way it is funded.

Representative Glen Froseth: I have 2012 (Inaudible as speaker wasn't on).

Representative Wayne Trottier: I believe this would change the fiscal note to $765,000 for the biennium. The date should be 2010.

Representative Dave Weiler: We've come to find out that this organization received over $900,000 last biennium and they are getting $900,000 again this biennium. That's $1.8 million that they've received. If they're getting $1.8 million this time plus there's another bill in somewhere where they are getting an additional $320,000 I believe over and above the $1.8 million. The other issue I have with this is on page 2 where they're changing it from 2/3 to 1. That means they are going to get a full mill and that's all they are ever entitled to and if things take a down turn then there's nowhere for them to go. If we keep it at 2/3 and we have a down turn somewhere along the line we can always raise them up to ¾ or 80 or go to 1 mill for them and they could receive more revenue that way. If we go to 1 mill right now there's nowhere to go from there. I think the money they received over the last biennium is fairly substantial and I would hope that we could defeat this bill altogether or at the very least we could go to ¾ of a mill, certainly not the full 1 mill.

Representative Shirley Meyer: In response to that, money is really relative especially in this program. I don't know of any program that is more vital to our rural areas and small towns than this. Eldercare is the one I am more familiar with and got interested in it several years ago. I know for a fact we had 20 seniors that without this program and somebody

going in checking on them they would be in the nursing home at $7,000 a month on Medicaid. Just with an in home visit I found out that maybe one hot meal kept them in their home for months. Many of these people are veterans and they have no way to cook and very little to eat. Now they have a hot meal delivered to them and they get checked on. One guy's food was spoiled and because he had macular degeneration he couldn't see that his refrigerator was unplugged. He got to stay in his own home; he has no resources or nothing. Without that, you as a taxpayer will be paying. This is a program that keeps them safe. When you talk about $1.8 million you take the number of people that this has kept in the nursing home then it looks miniscule.

Representative Dave Weiler: I've never questioned the validity or the effectiveness of this program. However, we just passed out a bill that was $5.8 million and it will go to conference committee and will probably end up in the $10 million range. This one is $1.6 million. We're sent here to make some tough decisions and we can't give everybody what they want otherwise we're going to be coming back and staying longer and longer to try and resolve the financial issues that we have. It's amazing that we can have all this money at the legislature, all this $1.2 billion and it's gone. We need to be careful and some of these ideas, although they're good, they are just too expensive.

Representative Lonny B. Winrich: To reinforce what Representative Meyer said; it is much cheaper to keep these people in their homes with programs that are supported by this bill than it is to have them go into a nursing home and be supported by Medicaid which is also state funds. If you look at one number out of context it may appear to be rather large but if you put it in the context of all the programs it's the best and cheapest way to go. I seem to remember some bills that had fiscal notes like $600 and $800 million reduction in revenue that were strongly supported by Representative Weiler.

Representative Wayne Trottier: Read an article to committee. Please refer to attached article.

Representative Glen Froseth: I'm going to support this bill because I know how important it is to our community. The Kenmare Meals on Wheels program administers the program all the way from Glenburn to Lignite so they cover about 70 mile radius around Kenmare and the smaller communities. It is an important program to rural and smaller communities because we have no soup lines and things like that where they could go. We have a lot of older people living alone in their homes and this is their only means to get downtown to get their mail. We don't have a mail delivery system in town. They charge $1 or $2 to bring them downtown to get their things done. I think it's a very important program. I think we would be doing a disservice to rural North Dakota if we didn't fund it. They could probably survive with the 2/3 or 75% but I think some of their activities would be curtailed. I think they are struggling with some of the services. The services aren't even elaborate they are very basic services. I am going to support this.

Vice Chairman Craig Headland: I'm not sure how by moving the date would cut the fiscal note in half.

Representative Dave Weiler: If we leave the bill the way it is it goes into effect in 2012 so that means there wouldn't be any influence on the calendar year of 2012 and maybe none

in the biennium. The next biennium would be impacted of $1.6 million. If you look at the fiscal note there isn't an effect for the 2011-13 biennium. But if we change that date to December 31, 2012 to December 31, 2011 it moves everything back a year so the second half of the 2011-13 biennium will be impacted and it will have about an $800,000 fiscal note.

Representative Shirley Meyer: I believe the amendment is to move it to 2010. The year 2011 tax year is what it is based on.

Vice Chairman Craig Headland: That is an increase in the fiscal note because it moves it to this biennium.

Representative Dave Weiler: I don't know that it would be because the change in the date is only when the new law would go into effect and when the new law goes into effect is when there's a two year lag period for the money to begin to impact the general fund. Regardless of when we start this program it's probably going to be around $1.6 million per biennium.

Vice Chairman Craig Headland: I understand that, however, this fiscal note doesn't have any impact in this biennium and it will if we move that date.

Representative Dave Weiler: That is correct. If we have the date of 2012 then it won't impact the 2011-13 biennium because of that two year lag. If we move it to 2010 it will impact the biennium of 2011-13 because we moved the date back two years.

Vice Chairman Craig Headland: But the fiscal impact in the following biennium would remain the same so this change increases the fiscal note, it doesn't decrease it.

Representative Dave Weiler: It wouldn't decrease it at all.

Representative Wayne Trottier: From the tax department they verified the two calendar lag between the taxable year certification from the tax commissioner's office and the matching funds to the counties for this program. This being the process please note the original fiscal note showed $1.53 million in general funds. This took into account the matching funds for each of the two years in the next biennium. However, because of the two year lag the fiscal note for the next biennium should be approximately $750,000 since your increase would begin in 2013.

Representative Lonny B. Winrich: I think that the explanation here is that the revenue is coming from a mill levy from property taxes. There's a considerable lag for collecting property taxes. It's not like sales or income taxes or something like that coming in all throughout the year. The property taxes tend to come in at one time and it's significantly behind the actual date of the tax year.

Representative Glen Froseth: I believe Representative Winrich is right on that because you pay your property taxes in February or March of the preceding year so that money from 2010 won't be collected until 2011 then that matches the 1% the state money. It's a year lag so if you put it in at 2012 you wouldn't be collecting 2012 revenue until 2013.

Representative Dwight Wrangham: I've had a tough time struggling with this bill and if I thought not passing this bill was going to prevent one senior from enjoying the experience they have at a senior center I would support it. I have faith in our governor and his budgeting, faith in our health department in proposing what is needed out there, and faith in appropriations to take care of these agencies. It's hard when we appropriate money through three different sources through one fund. I'm going to trust that they took care of it. I'm going to oppose the bill.

Representative Shirley Meyer: I guarantee you this would affect it. This is a mill levy match. This is what the seniors want. Right now in my area they are on the edge of being able to do this or not. They will cut back programs. We've lost our volunteers out there because everybody is busy. You won't save money by keeping this if you don't pass this.

Representative Dave Weiler: I'm wondering why the people who are sponsoring the bill brought the bill to us with an effective date of 2013.

Representative Shirley Meyer: That was put on as an amendment in the senate. They brought it to us with an effective date of December 31, 2010. It's based on the taxable valuation so with a 2010 effective date by 2012 you can start implementing this program.

Vice Chairman Craig Headland: It says this act is effective for taxable years beginning after December 31, 2012.

Representative Dave Weiler: This is the re-engrossed bill and that may have been the amendment but I don't recall them coming in to tell us that we need to move this back to December 31, 2010.

Representative Shirley Meyer: Yes, that was the testimony. The Senate didn't understand the ramifications of moving it to 2012. That means this couldn't be implemented until 2015. That was their request to move it back to 2010 so that it can start being effective in 2012.

Representative Dave Weiler: Given that information it doesn't change my mind. The Governor has given $1.8 million to this program and then there's another bill somewhere where they are going to get $300,000 more. I question whether we need to go this far.

Vice Chairman Craig Headland: Senator Grindberg is on the appropriations committee and he's on this bill. Appropriations are the one who changed the date and had the impact that Mr. Tuppa was concerned about. I'm trying to figure out why they would do that. I think I know, they wanted to push the fiscal impact back. I'm not going to support the amendment or the bill with the full mill. I may be receptive of changing it from 2/3 to ¾ or something.

Representative Dave Weiler: If you would accept the amendment I would move that we amend the bill on page 2 line 19 and change 2/3 to ¾ of one mill. I think that gives them a little bit of a boost. The concern of going to one mill is in there and that's all that they are ever going to get. In a couple years if things turn down they don't have any place

to go, they won't be able to get any more. This is a safe way to do it. I can accept the bill at a ¾ of a mill and anything beyond that I cannot accept.

Representative Dwight Wrangham: Seconded.

Representative Shirley Meyer: It was 1 mill at one time and then it was dropped down to 2/3 of a mill. So the scenario where they can never go higher than one mill, let's try it for a while.

Representative Glen Froseth: I think there's a misconception in that it only finances the senior centers and that's not true. If you look at previous testimony it said, "In 1991 the legislative assembly restricted the types of expenses as mill levy funds can be spent on services designed to assist senior citizens and maintaining their independence. These services include home delivery meals, congregate dining, transportation, outreach systems, health related services, and maintenance of senior citizen centers." I think one of the most important things they do in our town in their bus program is pick up people in their homes and nursing homes and the hospitals on Sundays and deliver them to their churches so they can attend church services in their church then give them a ride back home again. That's one of the services they provide. If you look at the fiscal note part of their money is matched through the motor excise tax so it doesn't all come from just general fund monies.

Representative Dwight Wrangham: I understood that Meals on Wheels was included but I didn't realize that transit was included in this section.

Representative Patrick Hatlestad: As an individual who is approaching this time frame I am going to oppose this motion.

Representative Shirley Meyer: I request a roll call vote.

Representative Dave Weiler: So we're going to have a roll call vote on a motion to increase it from 2/3 to 3/4? I would love to have a recorded roll call vote on that.

A roll call vote was taken: YES 5 NO 5 ABSENT 4
MOTION FAILED.

Representative Wayne Trottier: I would like to make a motion for an amendment to change the effective date to December 31, 2010.

Representative Glen Froseth: Seconded.

Representative Dave Weiler: I guess there's a certain percentage of people in this room that don't want to increase their mill levy and increase their funding so I see no reason to pass this amendment either.

Representative Mark S. Owens: Just from the people I've talked to that's contact me they are not interested in the change they are just interested in it passing. I don't think they want to go to conference committee. I hadn't heard a single complaint about the timing they were just asking me to support it.

Representative Dave Weiler: I request a recorded roll call vote.

Representative Dwight Wrangham: Can you repeat the amendment?

Vice Chairman Craig Headland: The amendment is to move the effective date to December 31, 2010.

Representative Dave Weiler: This would mean that it would now have a fiscal note that affects the 2011-13 biennium of approximately $1.6 million.

Vice Chairman Craig Headland: I don't know what that number would be.

Representative Dave Weiler: It might be ¾ of a full biennium so it would be $1.2 or 1.3 million.

Representative Shirley Meyer: We can't be guessing. It could be zero too. You can't make this guess. I think this amendment is important because then we can use taxable years 2011 and this program can be implemented in 2012.

Representative Patrick Hatlestad: I don't think we need to guess because the program would start with this amendment in February of 2012 so it would be the rest of 2012 and 2013 so we can get a pretty good figure without guessing. Your million dollar guess would be pretty close.

A roll call vote was taken on the proposed amendment: YES 6 NO 5 ABSENT 3 MOTION CARRIED BUT CHAIRMAN REQUESTED TO HOLD THE BILL.

2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee
Fort Totten Room, State Capitol

SB 2242
March 28, 2011
#16047

☐ Conference Committee

Committee Clerk Signature Mary Brucker

Explanation or reason for introduction of bill/resolution:

A bill relating to a matching grant from the senior citizen services and programs fund to counties and the mill levy for senior citizen services and programs; and to provide an effective date.

Minutes: *No attachments.*

Vice Chairman Craig Headland: I move that we reconsider our action of the amendment to change the effective date.

Representative Bette Grande: Seconded.

Vice Chairman Craig Headland: I think we messed with this bill at length and I'm not sure but I think there is some confusion on it. I think if we remove this amendment we will start fresh with a clean bill as it was passed over from the senate and then we can discuss what we choose to do with the bill. The bill with the amendment on it moves the date back so it takes effect this biennium.

Representative Shirley Meyer: I would hope that we could resist that. The one provision of this bill that absolutely has to be on there is to make the effective date 2010. Without that if we leave the date as is December 31, 2012 we're looking at 2015 before any changes occur at all. I think that is the one amendment that absolutely should stay on this bill. I request a recorded roll call vote on this.

A roll call vote was taken: YES 7 NO 7 ABSENT 0
MOTION FAILED to remove the proposed amendment.

Vice Chairman Craig Headland: I would move to further amend the bill to move the match to .75 mills.

Representative Bette Grande: Seconded.

Representative Glen Froseth: I guess everybody in this committee knows where I stand on this bill. I spoke with the lady who administers our Meals on Wheels and senior program in our Kenmare area. She administers the program that's run through our program office

from Glenburn to Columbus which includes the cities of Lignite, Columbus, Mohall, Kenmare, Glenburn, and Flaxton so it's a pretty large area. I asked her where the funding came from and she said they get 35% from the federal government and 20% from the state and the rest is dependent of the charges they take in on a local level. They provide meals to this area and they have a bus service that transports these meals to other communities. The meal cost with the administrative costs amount to $11 per meal and then they pay the restaurant $7.50 per meal with the state portion paying $3.50 and the rest of it has to be made up with local donations or whatever money they can generate locally. They pay the lady who drives the bus $8.50 per hour and all the people who work for them do not get any benefits. Most of them get minimum wage with no benefits. They pay her .45 per mile for mileage which is under the federal guidelines because that's all they can afford to pay. Our transit service in town will pick up people and take them to the post office to get their mail and take them to the doctor and to the grocery store. They charge these people $1.50 for a round trip. If they have to take them to Minot to the doctor or hospital the charge is $8.00. The transit system that runs from Crosby to Minot is $10 or $11, she wasn't sure. Most of the money they get from the state and federal goes to the service providers and that's the commission on aging, the bus service, and the Meals on Wheels program. The average donation for a meal in our senior center that costs them $11.00 is $1.95 and some people can't afford to pay anything while some pay $5.00. I understand that no matter what we do with this bill in this committee isn't going to be the final action on the funding. I think this is a very necessary program for our small rural communities, especially those that don't have a meal delivery service or a service to take them to the post office to get their mail, and every other service that a senior needs. If their drivers' license has been taken away they are dependent on someone. I see that this is a very worthy service to these communities and I can't see any reason why we shouldn't try and help them. They are operating at a bare minimum. The person who is running our program now said that they will never find another person to do her job when she retires for the wages she's receiving.

Vice Chairman Craig Headland: In the information that I received from Mr. Tuppa moving it from ¾ would be an increase of approximately $360,000 a biennium or $180,000 a year. We would be increasing it from where it is today. I think we all understand that the appropriations committee holds the cards on this and some of the members on this committee have had discussions with the human services chairman and he's indicated what his intent is so I think we could pass this bill out in a form that will be accepted or we can pass it out in a form that won't be accepted by appropriations. I think in offering the amendment that's what we are trying to do and that is to find a common ground that we can accept and provide somewhat of an increase.

Representative Glen Froseth: The $175,000 would be a step forward but the state covers 20% of the costs and with $180,000 a year what percent would that be, 1 or 2% at the most. That is very minimal and it wouldn't really do a whole lot but it would help a little. My feeling is that if it's going to be tinkered around in other places I would just assume it would pass in this committee and let the human services appropriations section take the blame for not providing the funding.

Representative Dave Weiler: I have a real concern with defeating this proposed amendment and then having this bill go out with this date on it. If we defeat this proposed amendment it will go to one mill. The concern of it passing is questionable so the question

is how much of a gamble do we want to take? We can get a little bit of an increase, not as much as some may want, but you also risk losing everything on it. This group is going to get three increases as I see it if we pass this amendment out. They are going to get the increase in the mill levy from 67% to 75% of one mill, the increase in property tax assessments, and another $300,000 or so in the governor's budget which is over and above the $900,000 what they got the last biennium. The governor is continuing to fund that $900,000 and the extra $300,000 and some thousand dollars that's in his current budget. The way I see it, I think it's more than reasonable to pass this amendment out and not gamble on losing everything.

Representative Shirley Meyer: A couple questions to Representative Weiler; are we guaranteed that if we go to 75% that appropriations will accept that increase?

Representative Dave Weiler: I have not been in on all the discussions with a few of the appropriations people. Representative Headland may better answer that but I don't think we can be guaranteed anything. I just know that given the situation that we're $140 or $150 million in the whole as all the bills are laid out now we have to start getting our books in order. This is going to be a million and a half dollar fiscal note to it and I believe it has a much better chance of passing if we don't try and take such a big chunk. Nothing can be guaranteed from the appropriations it's got a better chance of passing with this amendment on it than without it.

Representative Shirley Meyer: The Governor's budget that required $300,000 was to simply cover the increased food cost which was the projected increase and the cost of food which they think is going to be much higher. With your budget status report showing us $150 million in the whole, that doesn't factor in at all at this point in time because it's going to be $350 million from the permanent oil trust fund that is going to go into the general fund and that hasn't been balanced yet so we're still $150 million to the good.

Vice Chairman Craig Headland: Just to answer Representative Meyer's question; I talked with the chairman of the human services subsection and he indicated to me that if we pass it out at a full mill he will offer the amendment to take $300,000 and some out of the Meals on Wheels program. If we amend it down to .75 or ¾ of a mill match then he has given me his word that he won't offer any amendments. Beyond that I can't answer for anybody else on the appropriations committee.

Representative Shirley Meyer: He won't offer an amendment to change the date back to 2012? Was that part of the promise?

Vice Chairman Craig Headland: That was not part of the question and without talking to him I can't really answer that. I don't know what he'll do with the date.

Representative Steven L. Zaiser: With response to the amount of the increase $360,000 a biennium would break that down into $180,000 each year and then you spread that across the state that is not a whole lot of money.

Representative Wayne Trottier: I went up to the tax department this morning and the amendment that I offered or have to offer (03002) is in at 80% backing it up to 2010 so that

it would have to be caught up here in 2011. It is about $274,000 per year making it three times that for the biennium. It comes from the allocation from the sales, use, and motor vehicle excise tax collection which still has to be appropriated. It's a small matter if we're talking 75% of a mill and 80% is what I'm offering in this amendment.

Vice Chairman Craig Headland: We've got an amendment on the table so we don't want to bring another amendment into this.

Representative Wayne Trottier: I understand that but the point is that if the 80% discussion ever comes about then maybe that would bring both groups together.

Chairman Wesley R. Belter: We have a motion of Representative Headland to change the percentage to .75 mills. Any other discussion? If not, will the clerk read the roll?

A roll call vote was taken: YES 7 NO 7 ABSENT 0
MOTION FAILED TO RECONSIDER THE AMENDMENT TO CHANGE THE EFFECTIVE DATE.

Representative Wayne Trottier: I would like to propose the amended 03003 which reads 80% and replaces the date with 2010.

Vice Chairman Craig Headland: That's not the amendment. That amendment has already been placed on and reconsidered or called back by Representative Trottier.

Representative Wayne Trottier: No, I believe that was 03002.

Vice Chairman Craig Headland: No, that was 03003.

Representative Dave Weiler: Do we need a second before we can even discuss this?

Chairman Wesley R. Belter: Right.

Representative Steven L. Zaiser: Seconded.

Chairman Wesley R. Belter: What's your amendment?

Representative Wayne Trottier: 03003. No I'm sorry, it's 03002.

Representative Dave Weiler: I am going to resist this motion primarily because it moves it to 80% but also there is an additional appropriation of $275,000 on this amendment of 03002. This moves the date back to 2010 which is already on there because the amendment was stripped off so I believe as the bill stands it's the year 2010, correct?

Chairman Wesley R. Belter: The current bill is 2012. It's been amended to 2010.

Representative Dave Weiler: This has an additional $275,000 on top of the increase from 75 to 80% of one mill. If it was simply the 80% that would be a different story but that's not the amendment that was offered, it was offered at 80% plus the appropriation of another

$275,000 on top of the governor's $300,000 increase. I would hope that we could defeat this amendment because this will never pass on the floor.

Representative Shirley Meyer: I requested the dollar amount for this. The 80% included with the supplemental increase would be approximately $825,000.

Representative Dave Weiler: As you recall the debate that the $275,000 appropriation is in this amendment is simply because we've moved the date to 2010 they are going to start getting the money in February 2012. The appropriation of $274,480 is for the second half of 2011 which is from the start of this biennium. Not only are we moving the date to 2010 increasing it to 80% the governor is giving them an additional $300,000 and they're getting the increase in assessment of property taxes they are also now going to get the money starting July 1, 2011. This is part of the gamble that I spoke about earlier and I cannot accept this amendment.

Vice Chairman Craig Headland: I need Representative Trottier to explain to me the $274,000 appropriation. Is that what it costs to provide that money during this biennium since we moved the date back to 2010?

Representative Wayne Trottier: Yes, as I understand it and as Representative Weiler just said that will be for the make-up for 2011 that would not be addressed in this as they would not get it until 2012.

Vice Chairman Craig Headland: That's already in the bill so I don't think this amendment is warranted. I would hate to allow for a situation where it is doubled up. We've already made that amendment to this bill so I think we should reject this amendment and if our intent is to move the number to an 80% match then we do that in a separate bill. We don't want to double up on this. We've already increased this and the bill is already going to have to go to appropriations where I have a feeling I know what will happen to it.

Representative Wayne Trottier: I do not disagree with that. If the people get it for the three years or for 2011, 2012, and 2013 it should not be doubled up but legislative counsel said that to address it this way we needed to put that in there that way.

Vice Chairman Craig Headland: We should've passed my amendment for reconsideration to take it off that bill so then we could put it again on this bill but that was rejected so our choice on the table now is rejecting this amendment to assure that it isn't doubled up on.

Representative Lonny B. Winrich: Could we have the clerk read the minutes of the meeting where we amended this bill? I'm not at all clear on what we amended it to say at this point.

Chairman Wesley R. Belter: You had previously passed this 3002? All you've changed was the date.

Vice Chairman Craig Headland: With that date change in order for this payment to go out this $274,000 is inferred, that is going to be a new number that will come in a fiscal note

already. If we pass this amendment I don't know if it's clear that an additional sum is going to come on there or not.

Representative Shirley Meyer: Would Mr. Tuppa mind coming up and explaining this $274,000. I think he's done a lot of work on this and I think it would make it very clear to the committee exactly what it does or doesn't do.

Representative Dave Weiler: I remember very well the discussions we had on this and moving the date to 2010 meant that they are going to start getting their money in February of 2012 because there is a two year lag. As the bill came to us in the senate the concern with some of the members of this committee was that they weren't going to start getting the money until 2015 or whatever it was. By moving it to 2010 they are going to start getting their money in February of 2012. This appropriation on this amendment is separate from the increase to 80%. The appropriation on here is strictly for the period of July 1, 2011 and ending June 30, 2013 but it's primarily because if they are going to start getting their money in 2012 there were some that were hoping they could start getting their money right away when this biennium starts in July 1, 2011. This appropriation of $274,480 is for July 1, 2011 through February 2012. It is on top of everything else we talked about. It's up to you whether you're going to allow Mr. Tuppa to come and whatever your decision is will be fine but that's what this appropriation is for on top of everything else.

Representative Wayne Trottier: I think the discussion has all been correct. The $274,000 that's on here from the legislative counsel as I understand it is exactly how Representative Weiler and others have said that it is a catch up for 2011. It will be given after June 30, 2011. I understand that if you think we are jumping the gun on this but that's what this amendment does.

Vice Chairman Craig Headland: I'm just wondering if Representative Trottier and the second would consider going back and allowing us to take the date change from the other amendment off and then we can start with this amendment that has the date change in it that way we would be assured that we're only doing things once. Wouldn't that work?

Representative Steven L. Zaiser: It's my understanding that we are not doing this twice. We are simply bringing it back and adding a supplement to the funds for this year. I don't think we're doubling up.

Chairman Wesley R. Belter: Representative Trottier, you are saying we're doubling up.

Representative Wayne Trottier: No. I'm trying to say we are not doubling up. We are just adding in 2011. It will be $274,000 or $276,000. Cathy Strombeck from the tax department said it would be three times that for the biennium.

Representative Steven L. Zaiser: It's simply a supplement, it's not duplication.

Representative Lonny B. Winrich: I don't think we can change the date twice. It may be redundant to have that in this amendment as well but it doesn't have any effect so it doesn't double up the payment.

Representative Wayne Trottier: Is it possible to strike that date from amendment 3002 since it's already in place?

Representative Dave Weiler: You don't need to as it's already in the bill.

A roll call vote was taken to adopt the amendment 3002: YES 7 NO 7 ABSENT 0 MOTION FAILED.

Representative Dave Weiler: If we pass this out with a Do Pass as amended does it go to appropriations? If it goes out as a Do Not Pass then it goes to the floor? **I move a Do Pass as Amended.**

Representative Mark S. Owens: Seconded.

Vice Chairman Craig Headland: Your Do Pass as Amended leaves it at a full mill match. I understand what the motion is but I will reject it.

Representative Dwight Wrangham: If it comes out with a Do Not Pass and goes to the floor and does pass it would still go to appropriations at that point, is that correct?

Chairman Wesley R. Belter: That's correct.

A roll call vote was taken: YES 10 NO 4 ABSENT 0
MOTION CARRIED FOR A DO PASS AS AMENDED AND REREFER TO APPROPRIATIONS.

Representative Wayne Trottier will carry SB 2242.

2011 HOUSE STANDING COMMITTEE MINUTES

House Finance and Taxation Committee
Fort Totten Room, State Capitol

SB 2242
March 28, 2011
#16069

☐ Conference Committee

Committee Clerk Signature Mary Brucker

Explanation or reason for introduction of bill/resolution:

A bill relating to a matching grant from the senior citizen services and programs fund to counties and the mill levy for senior citizen services and programs; and to provide an effective date.

Minutes: *No attachments.*

Representative Wayne Trottier: The amendment that I came with (3002) where it asked for 80% and backing it up. I am now offering this committee to go back to the 75% that was offered earlier and not go back on the date. I am concerned that if it gets over to appropriations it may go back to the 2/3 that we currently have. I got a note from Marcy Dickerson and Cathy Strombeck and the income is going up about 6% per year as the value of one mill increases so that alleviates some of the portion. I understand that the governor has $300,000 so it makes up for some of it and I don't feel quite so bad. **I would like to make a motion to reconsider our vote from this morning.**

Representative Dave Weiler: Seconded.

Representative Shirley Meyer: I would hope that we could resist this motion. If you don't change the date we're looking at 2015. In the event that you don't do that they will pass it but what difference does it make? Then we're down to four years from now before that would even kick in at 80%. The $300,000 that the governor has proposed is simply to cover the cost of food. That won't even begin to cut it. This incremental small amount of money that's going to be added to this won't even cover the costs out there. I hope we could resist this amendment. If appropriations wants to kill it at one mill then so be it but we need to take that case to the floor and make that fight. This mill is not a great amount of money, it's $875,000.

Representative Steven L. Zaiser: I would concur with Representative Meyer's comments. I've talked to people who live in rural communities and they are in danger of losing their clubs. They need it now. Once they are gone then they are gone. I would hope that we would resist this amendment.

Representative Mark S. Owens: Representative Zaiser and Representative Meyer, I have a small problem in understanding why we keep talking about how these communities

are in such dire need they are when they are authorized to go to two mills and yet they won't, they are coming to the state for more money rather than maximizing what they have under their own control. I'm just curious why they don't do it. Do you have any idea?

Representative Shirley Meyer: They cannot go to 2; they are maxed at one mill.

Representative Mark S. Owens: No. Read the law.

Representative Steven L. Zaiser: It was my understanding that those that have not levied the mill for the senior programming will not be eligible for this. If they haven't done anything then they're not going to get anything.

Representative Wayne Trottier: We go up to the floor above us and we keep hammering on the counties but their taxes are going up all the time and for us to say to go back to the counties to have them raise their taxes is not right.

Representative Dave Weiler: Whether you choose to reconsider our actions before we discuss any amendment I'm not sure. I have a question on the amendment and what the amendment does so if it's okay could I ask it now or should I wait until we reconsider our actions or not.

Chairman Wesley R. Belter: Go ahead and ask your question.

Representative Dave Weiler: Representative Trottier, you had mentioned that your intentions would be to propose an amendment by which we go from the one mill, which is how we passed the bill out, down to .75. Are you also intending on changing the date back to 2012 or are you leaving it at 2010?

Representative Wayne Trottier: It would be at 2010. Then it will take effect in 2012.

Representative Dave Weiler: There was some discussion on this end of the table that was your intention was to move it to 2012 so I just wanted clarification on that.

Representative Steven L. Zaiser: This morning there was talk about a duplication of funding. I thought it was a supplemental funding from 2011. Is that gone from the amendment you have?

Representative Wayne Trottier: Yes, it would be gone. We would be just funding it for 2012 and 2013. In this note from Cathy Strombeck she said it is about $277,000 per year.

Chairman Wesley R. Belter: Any other discussion on the motion to reconsider our actions?

A voice vote was taken to reconsider our actions where we passed 2242: MOTION CARRIED TO RECONSIDER.

Representative Lonny B. Winrich: I believe reconsideration just puts the amendment back before us. That's what happens when we reconsider a bill on the floor then we vote on the bill again. So we have to vote on Representative Trottier's amendment.

Chairman Wesley R. Belter: On his new proposed amendment. Representative Trottier, would you like to move your new amendment?

Representative Wayne Trottier: I would like to move that we adopt the amendment with 75% and change date to December 31, 2010.

Chairman Wesley R. Belter: I think if you just make a motion to amend it to the .75 mills is all that would be necessary.

Representative Wayne Trottier: I understand now. Thank you.

Chairman Wesley R. Belter: We have a motion to adopt the amendment from 2/3 to .75. On page 2 line 19 and on page 1 line 20 we need to change it.

Representative Shirley Meyer: 2010 is in it, correct?

Chairman Wesley R. Belter: Yes.

Representative Shirley Meyer: That doesn't change with this?

Vice Chairman Craig Headland: The date change was passed on another amendment so I'm assuming that it still there. With that being there the only thing this amendment is doing is going from the one mill down to ¾ of a mill match.

Representative Steven L. Zaiser: When you reconsider your actions do we just reconsider one aspect or do we reconsider the bill? Are certain amendments still on there and certain ones still off?

Chairman Wesley R. Belter: When we reconsidered the bill we moved the Trottier amendments that we passed today. Oh wait, we didn't pass those today. Last week you approved an amendment to change it to 2010 so that would still be on there then. Is everybody agreeable to that? All we're changing is the .75. We need a second on Representative Trottier's motion.

Representative Bette Grande: Seconded.

Representative Wayne Trottier: Also taking this from 80% down to 75% reduces it to about $189,000 or $190,000 per year statewide.

A voice vote was taken to adopt the Trottier amendment: MOTION CARRIED.

Representative Wayne Trottier: I make a motion for a DO PASS AS AMENDED.

Representative Dave Weiler: SECONDED.

Chairman Wesley R. Belter: This will need to be rereferred to appropriations.

A roll call vote was taken: YES 14 NO 0 ABSENT 0
MOTION CARRIED FOR DO PASS AS AMENDED AND REREFER TO APPROPRIATIONS.

Representative Wayne Trottier will carry SB 2242.

****Will not be rereferred to appropriations per phone call from Chairman Belter on March 29, 2011.****

11.8176.03003
Title.

Prepared by the Legislative Council staff for
Representative Trottier
March 22, 2011

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2242

Page 1, line 4, after "programs" insert "; to provide an appropriation"

Page 1, line 20, after "~~two-thirds~~" insert "eighty percent"

Page 1, line 20, remove the overstrike over "~~of~~"

Page 1, line 20, overstrike the second "in" and insert immediately thereafter "by"

Page 1, line 21, overstrike ", but the" and insert immediately thereafter "in 2011, eighty-five percent of the amount levied in dollars by the county in 2012, ninety percent of the amount levied in dollars by the county in 2013, ninety-five percent of the amount levied in dollars by the county in 2014, and the full amount levied in dollars by the county in years after 2014. However, the"

Page 3, after line 2, insert:

"**SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $274,480, or so much of the sum as may be necessary, to the state treasurer for the purpose of supplemental allocations to counties for senior citizen services and programs to provide a twenty percent increase in the amount distributed under section 57-15-56 to each county in March 2011 for senior citizen services and programs. The amount appropriated by this section is available to the state treasurer for the biennium beginning July 1, 2011, and ending June 30, 2013, and must be distributed by the state treasurer as soon as practicable after June 30, 2011."

Page 3, line 4, replace "2012" with "2010"

Renumber accordingly

Date: 3-23-11
Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment 3003
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Trottier Seconded By Rep. Kelsh
* WITHDRAWN *

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	AB		Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streyle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) _____ No _____

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3-22-11
Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment
Weiler's change to 3/4 of a mill.
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Weiler Seconded By Rep. Wrangham

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	AB		Scot Kelsh	AB	
Vice Chair. Craig Headland	✓		Shirley Meyer		✓
Glen Froseth		✓	Lonny B. Winrich		✓
Bette Grande	AB		Steven L. Zaiser	AB	
Patrick Hatlestad		✓			
Mark S. Owens	✓				
Roscoe Streyle	✓				
Wayne Trottier		✓			
Dave Weiler	✓				
Dwight Wrangham	✓				

Total (Yes) 5 No 5

Absent 4

Floor Assignment —

If the vote is on an amendment, briefly indicate intent:

MOTION FAILED

VK
3/28/11

11.8176.03005
Title.04000

Adopted by the Finance and Taxation Committee

March 28, 2011

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2242

Page 3, line 4, replace "2012" with "2010"

Renumber accordingly

Date: 3-22-11
Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment eff. date after 12-31-10
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Trottier Seconded By Rep. Froseth

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	AB		Scot Kelsh	AB	
Vice Chair. Craig Headland		✓	Shirley Meyer	✓	
Glen Froseth	✓		Lonny B. Winrich	✓	
Bette Grande		✓	Steven L. Zaiser	AB	
Patrick Hatlestad	✓				
Mark S. Owens		✓			
Roscoe Streyle		✓			
Wayne Trottier	✓				
Dave Weiler		✓			
Dwight Wrangham	✓				

Total (Yes) 6 No 5

Absent 3

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

MOTION CARRIED
BUT WILL HOLD BILL.

Date: 3-28-11
Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☒ Reconsider on amend. eff. date

Motion Made By Rep. Headland Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	✓		Scot Kelsh		✓
Vice Chair. Craig Headland	✓		Shirley Meyer		✓
Glen Froseth		✓	Lonny B. Winrich		✓
Bette Grande	✓		Steven L. Zaiser		✓
Patrick Hatlestad		✓			
Mark S. Owens	✓				
Roscoe Streyle	✓				
Wayne Trottier		✓			
Dave Weiler	✓				
Dwight Wrangham	✓				

Total (Yes) 7 No 7

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

MOTION FAILED.

Date: 3-28-11
Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment further amend to move match to .75 mills

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Headland Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	✓		Scot Kelsh		✓
Vice Chair. Craig Headland	✓		Shirley Meyer		✓
Glen Froseth		✓	Lonny B. Winrich		✓
Bette Grande	✓		Steven L. Zaiser		✓
Patrick Hatlestad		✓			
Mark S. Owens	✓				
Roscoe Streyle	✓				
Wayne Trottier		✓			
Dave Weiler	✓				
Dwight Wrangham	✓				

Total (Yes) 7 No 7

Absent Ø

Floor Assignment —

If the vote is on an amendment, briefly indicate intent:

MOTION FAILED.

11.8176.03002
Title.

Prepared by the Legislative Council staff for
Representative Trottier
March 22, 2011

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2242

Page 1, line 4, after "programs" insert "; to provide an appropriation"

Page 1, line 20, after "~~two-thirds~~" insert "eighty percent"

Page 1, line 20, remove the overstrike over "~~of~~"

Page 3, after line 2, insert:

"**SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $274,480, or so much of the sum as may be necessary, to the state treasurer for the purpose of supplemental allocations to counties for senior citizen services and programs to provide a twenty percent increase in the amount distributed under section 57-15-56 to each county in March 2011 for senior citizen services and programs. The amount appropriated by this section is available to the state treasurer for the biennium beginning July 1, 2011, and ending June 30, 2013, and must be distributed by the state treasurer as soon as practicable after June 30, 2011."

Page 3, line 4, replace "2012" with "2010"

Renumber accordingly

Date: 3-28-11
Roll Call Vote # 3

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment 3002

☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Trottier Seconded By Rep. Zaiser

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter		√	Scot Kelsh	√	
Vice Chair. Craig Headland		√	Shirley Meyer	√	
Glen Froseth	√		Lonny B. Winrich	√	
Bette Grande		√	Steven L. Zaiser	√	
Patrick Hatlestad	√				
Mark S. Owens		√			
Roscoe Streyle		√			
Wayne Trottier	√				
Dave Weiler		√			
Dwight Wrangham		√			

Total (Yes) 7 No 7

Absent Ø

Floor Assignment —

If the vote is on an amendment, briefly indicate intent:

MOTION FAILED

Date: 3-28-11
Roll Call Vote # 4

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment

☒ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Weiler Seconded By Rep. Owens

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter		✓	Scot Kelsh	✓	
Vice Chair. Craig Headland		✓	Shirley Meyer	✓	
Glen Froseth	✓		Lonny B. Winrich	✓	
Bette Grande		✓	Steven L. Zaiser	✓	
Patrick Hatlestad	✓				
Mark S. Owens	✓				
Roscoe Streyle		✓			
Wayne Trottier	✓				
Dave Weiler	✓				
Dwight Wrangham	✓				

Total (Yes) 10 No 4

Absent Ø

Floor Assignment Rep. Trottier

If the vote is on an amendment, briefly indicate intent:

Date: 3.28-11
Roll Call Vote # 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☐ Adopt Amendment

☐ Rerefer to Appropriations ☒ Reconsider Do Pass

Motion Made By Rep. Trottier Seconded By Rep. Weiler

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter			Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streyle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

VOICE VOTE

MOTION CARRIED

VK
3/28/11

11.8176.03006
Title.05000

Adopted by the Finance and Taxation Committee

March 28, 2011

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2242

Page 1, line 20, after "~~two-thirds~~" insert "three-fourths"

Page 1, line 20, remove the overstrike over "~~of~~"

Page 2, line 19, after "~~two-thirds~~" insert "three-fourths"

Page 2, line 19, remove the overstrike over "~~of~~"

Page 3, line 4, replace "2012" with "2010"

Renumber accordingly

Date: 3-28-11
Roll Call Vote # 2

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☐ Do Pass ☐ Do Not Pass ☐ Amended ☒ Adopt Amendment
change to 75%.
+ date to 1231-10.
☐ Rerefer to Appropriations ☐ Reconsider

Motion Made By Rep. Trottier Seconded By Rep. Grande

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter			Scot Kelsh		
Vice Chair. Craig Headland			Shirley Meyer		
Glen Froseth			Lonny B. Winrich		
Bette Grande			Steven L. Zaiser		
Patrick Hatlestad					
Mark S. Owens					
Roscoe Streyle					
Wayne Trottier					
Dave Weiler					
Dwight Wrangham					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

VOICE VOTE

MOTION CARRIED.

Date: 3-28-11
Roll Call Vote # 3

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2242

House Finance and Taxation Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: ☒ Do Pass ☐ Do Not Pass ☒ Amended ☐ Adopt Amendment

~~☐ Refer to Appropriations~~ ☐ Reconsider

Motion Made By Rep. Trottier Seconded By Rep. Weiler

Representatives	Yes	No	Representatives	Yes	No
Chairman Wesley R. Belter	✓		Scot Kelsh	✓	
Vice Chair. Craig Headland	✓		Shirley Meyer	✓	
Glen Froseth	✓		Lonny B. Winrich	✓	
Bette Grande	✓		Steven L. Zaiser	✓	
Patrick Hatlestad	✓				
Mark S. Owens	✓				
Roscoe Streyle	✓				
Wayne Trottier	✓				
Dave Weiler	✓				
Dwight Wrangham	✓				

Total (Yes) 14 No 0

Absent Ø

Floor Assignment Rep. Trottier

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2242, as reengrossed: Finance and Taxation Committee (Rep. Belter, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed SB 2242 was placed on the Sixth order on the calendar.

Page 1, line 20, after "~~two-thirds~~" insert "three-fourths"

Page 1, line 20, remove the overstrike over "~~of~~"

Page 2, line 19, after "~~two-thirds~~" insert "three-fourths"

Page 2, line 19, remove the overstrike over "~~of~~"

Page 3, line 4, replace "2012" with "2010"

Renumber accordingly

2011 TESTIMONY

SB 2242

A

SB 2242

Senior Mill Levy Match

February 2, 2011

Senate Finance and Tax Committee

The Senior Mill Levy Match was established by the ND Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the program and directed the types of expenses for which mill levy funds could be spent to services designed to assist seniors in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, and health related services.

The original appropriation for the Senior Mill Levy Match program was sufficient to provide dollar-for-dollar match of what was being generated at the county or city level. The appropriation for the current biennium, approximately $2,834,000, provides for a match of .667 cents for every dollar levied locally up to one mill.

SB 2242 seeks to restore the Senior Mill Levy program to the original dollar for dollar match. The amount of funding necessary to restore the program is approximately $1,416,728 – please note this amount assumes taxable valuations stay the same for the next two year period which may not be the case.

SB 2242 is necessary to address the significant increase in the demand for services for ND citizens age 85 and older and the growing recognition for the need for more in-home services. Increasing funding for this continuum of care results in more efficient use of taxpayer dollars for the delivery of this needed care for our seniors.

Aging Statistics for ND – The Graying of ND Study, December, 2008

Percent of ND Population 60 Years of Age and Older

Year	Population	Percent
1950	72,050	11.6
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2030	183,897	30.03

Percent of ND Population 85 Years of Age and Older

Year	Population	Percent
1950	2,262	0.4
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2020	20,106	3.2
2030	23,302	3.8

Testimony
Senate Bill 2242
Senate Finance and Taxation Committee
February 2, 2011

Chairman Cook and members of the committee, my name is Brian Arett. I am the Executive Director of Valley Senior Services and a representative of the 26 agencies that are members of the North Dakota Senior Service Providers (NDSSP) that provide Older American Act Services to the senior population of this state. I am here to testify in support of Senate Bill 2242.

The Senior Mill Levy Match was established by the North Dakota Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the Senior Mill Levy Match program restricting the types of expenses that mill levy funds can be spent on to services designed to assist senior citizens in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, health related services and the maintenance of senior citizens centers where services are provided.

The original appropriation for the Senior Mill Levy Match program was sufficient to provide dollar for dollar match of what was being generated at the county or city level. The appropriation for the current biennium provides for a match of .667 cents for every dollar levied locally up to one mill.

SB 2242 restores the Senior Mill Levy Match program to the original dollar for dollar match of what is levied at the local level up to one mill. This increase in funding will

provide resources for service providers to meet the growing needs of an increasingly aging population. And it will allow these services to be provided in an in-home setting expanding the continuum of care for the senior population. It will also provide additional funding in support of the many senior centers throughout the state to make sure that they are able to be adequately maintained so that they are available for the provision of services for the elderly.

We make this request because of the significant increase in the demand for services for people age 85 and older and because of the growing recognition of the need for more in-home services. We feel that increasing funding for the continuum of care results in better government at less cost to the taxpayer. It also results in economic development through the employment we are able to provide throughout the state and through contracts we have with small restaurants in the most rural parts of our state.

For example, my agency which provides services to six counties in southeastern North Dakota has 24 full time and 60 part time employees with a total annual payroll of more than $1.6 million. In addition, we spend over $1 million annually on food purchased from wholesale vendors and restaurants.

I appreciate the opportunity to testify before your committee today and would be happy to answer any questions you might have.

North Dakota Senior Service Providers
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E-mail: ktupa@aptnd.com

September 2010

Organizations that are members of North Dakota Senior Service Providers:

1. Williston/Region I Senior Services
2. Minot Commission on Aging
3. Kenmare Wheels and Meals
4. Tri County Meals and Services, Rugby
5. Souris Basin Transportation, Minot
6. Cavalier County Meals and Services, Langdon
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10. North Central Planning Council, Devils Lake
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24. Southwest District Health Unit, Dickinson
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26. Legal Assistance of North Dakota, Bismarck

Providing Home Delivered and Congregate Meals, Outreach, Health Maintenance, and Legal Assistance Services for Older Adults in 198 North Dakota Communities

Testimony in Support of SB 2242
Senate Finance and Taxation Committee
February 2, 2011

Good Morning Chairman Cook and members of the committee. I am Pat Hansen, Director of South Central Adult Services - a rural service provider in 7 ND counties including Barnes, LaMoure, Foster, Logan, McIntosh, Griggs and Emmons. I am also President of the North Dakota Senior Service Providers and a Board Member of the Dakota Transit Association.

I am here to provide you with information concerning the value of the senior mill levy match to my program and to the seniors in the counties I serve. The county councils on aging use their mill levy dollars and the state match they receive to pay the required match for federal Older Americans Act funds, to assist in supporting transit for elderly residents and to pay for other services including chore service and non-billable outreach services that are not funded through other sources. In addition, they use mill levy funds to pay utilities and upkeep on their senior centers.

Why should you care about helping to fund services for older persons and keeping Senior Centers open? There is a fairly simple answer. The types of services provided by my agency and those of my colleagues, help people to remain in their homes. In many of the most rural communities we serve, the Senior Center is the only place there is left that services can be provided out of. The choice is down to maintaining the senior center or stopping services all together. In some very rural communities, there is a restaurant that we can contract with to provide meal service. However, what we are able to afford to reimburse the restaurant is well below what we should be paying them – and restaurants statewide have said – "we are not going to contract with you anymore".

Staffing is also becoming a much larger issue in our rural counties. Twenty-five years ago, you could hire someone in a small town and there was no expectation on the employees' part that there would be any type of paid benefits. If you offered some paid days off – that was equal to or above what other employers in small towns were providing. Well, things have changed. Even in small towns – most employers are providing paid benefits beyond days off. At least 7 senior service agencies across that state (all rural providers) are offering no paid benefits (because there is no money to do it) and not surprisingly are unable to find staff. Do we just abandon services for older people in rural areas all together? That looks like the choice we are facing sooner rather than later.

Statewide, we really are ignoring dealing with addressing any additional needs we see that "should" be met to help older people maintain their independence. We are doing the best we can to maintain the services there are – but without some additional funding, even maintaining current services will be difficult at best.

We really believe in what we do and are dedicated in helping to make North Dakota the best place possible to grow old in. We need your help to do that and ask that you give SB2242 a Do Pass recommendation. If you have any questions, I would be happy to answer them. Thank you for your time in consideration of this testimony.

PROPOSED AMENDMENTS TO SENATE BILL 2242

Page 1, line 2, after "services and programs;" insert "to amend and reenact subsection 5 of section 57-15-56, relating to a matching grant from the senior citizen services and programs fund to counties;"

Page 2, line 3, after "SECTION 2.", insert "AMENDMENT. SUBSECTION 5 OF SECTION 57-15-56 is amended and reenacted as follows:

5. The state treasurer shall provide matching funds as provided in this subsection for counties for senior citizen services and programs funded as required by this section. The grants must be made on or before March first of each year to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may not be made to any county that has not filed with the state treasurer a written report verifying that grant funds received in the previous year under this subsection have been budgeted for the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the state treasurer on or before February first of each year following a year in which the reporting county received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to ~~two-thirds of~~ the amount levied in dollars in the county under this section for the taxable year, but the matching fund grant applies only to a levy of up to one mill under this section.

SB 2242

Senior Mill Levy Match

February 11, 2011

Senate Appropriations Committee

The Senior Mill Levy Match was established by the ND Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the program and directed the types of expenses for which mill levy funds could be spent to services designed to assist seniors in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, and health related services.

The original appropriation for the Senior Mill Levy Match program was sufficient to provide dollar-for-dollar match of what was being generated at the county or city level. The appropriation for the current biennium, approximately $2,834,000, provides for a match of .667 cents for every dollar levied locally up to one mill.

SB 2242 seeks to restore the Senior Mill Levy program to the original dollar for dollar match. The amount of funding necessary to restore the program is approximately $1,530,000.

SB 2242 is necessary to address the significant increase in the demand for services for ND citizens age 85 and older and the growing recognition for the need for more in-home services. Increasing funding for this continuum of care results in more efficient use of taxpayer dollars for the delivery of this needed care for our seniors.

Aging Statistics for ND – The Graying of ND Study, December, 2008

Percent of ND Population 60 Years of Age and Older

Year	Population	Percent
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Percent of ND Population 85 Years of Age and Older

Year	Population	Percent
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2030	23,302	3.8

Testimony in Support of SB 2242
Senate Appropriations Committee
February 11, 2011

Good Morning Chairman Holmberg and members of the committee. I am Pat Hansen, Director of South Central Adult Services - a rural service provider in 7 ND counties including Barnes, LaMoure, Foster, Logan, McIntosh, Griggs and Emmons. I am also President of the North Dakota Senior Service Providers and a Board Member of the Dakota Transit Association.

I am here to provide you with information concerning the value of the senior mill levy match to my program and to the seniors in the counties I serve. The county councils on aging use their mill levy dollars and the state match they receive to pay the required match for federal Older Americans Act funds, to assist in supporting transit for elderly residents and to pay for other services including chore service and non-billable outreach services that are not funded through other sources. In addition, they use mill levy funds to pay utilities and upkeep on their senior centers.

Why should you care about helping to fund services for older persons and keeping Senior Centers open? There is a fairly simple answer. The types of services provided by my agency and those of my colleagues, help people to remain in their homes. In many of the most rural communities we serve, the Senior Center is the only place there is left that services can be provided out of. The choice is down to maintaining the senior center or stopping services all together. In some very rural communities, there is a restaurant that we can contract with to provide meal service. However, what we are able to afford to reimburse the restaurant is well below what we should be paying them – and restaurants statewide have said – "we are not going to contract with you anymore".

Staffing is also becoming a much larger issue in our rural counties. Twenty-five years ago, you could hire someone in a small town and there was no expectation on the employees' part that there would be any type of paid benefits. If you offered some paid days off – that was equal to or above what other employers in small towns were providing. Well, things have changed. Even in small towns – most employers are providing paid benefits beyond days off. At least 7 senior service agencies across that state (all rural providers) are offering no paid benefits (because there is no money to do it) and not surprisingly are unable to find staff. Do we just abandon services for older people in rural areas all together? That looks like the choice we are facing sooner rather than later.

Statewide, we really are ignoring dealing with addressing any additional needs we see that "should" be met to help older people maintain their independence. We are doing the best we can to maintain the services there are – but without some additional funding, even maintaining current services will be difficult at best.

We really believe in what we do and are dedicated in helping to make North Dakota the best place possible to grow old in. We need your help to do that and ask that you give SB2242 a Do Pass recommendation. If you have any questions, I would be happy to answer them. Thank you for your time in consideration of this testimony.

Testimony in Support of
Senate Bill 2242
Senate Appropriations Committee
February 11, 2011

Good Morning, Chairman Holmberg and members of the committee, my name is Ellen Owen. I am the Director of Burleigh County Senior Adults Program and the past president of the North Dakota Senior Service Providers (NDSSP). NDSSP members provide Older Americans Act Services to the senior population of this state. I am here to testify in support of Senate Bill 2242.

The Senior Mill Levy and Match Program was established by the North Dakota Legislature in 1971 to provide funding and local match for services for senior citizens. The 1991 Legislative Assembly amended the Senior Mill Levy Match Program, restricting the types of expenses that mill levy funds could be spent on, and limited the expenditures to services designed to assist senior citizens in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, health related services and maintaining the of senior centers where services are provided.

The original appropriation for the Senior Mill Levy Match program was sufficient to provide dollar for dollar match of what was being generated at the county or city level. The appropriation for the current biennium provides for a match of .667 cents for every dollar levied locally up to one mill.

SB 2242 restores the Senior Mill Levy Match Program to the original dollar for dollar match of what is levied at the local level, up to one mill. This increase in funding will provide:

- Resources for service providers to meet the growing needs of an increasing aging population
- Funds for services to be provided in an in-home setting, expanding the continuum of care for the senior population
- Funds to support and maintain the many senior centers throughout the state, where many of the services are provided at the local level.

We make this request because of the significant increase in the demand for services for people age 85 and older and because of the growing recognition of the need for more in-home services. We feel that increasing funding for the continuum of care results in better government at less cost to the taxpayer. It also results in economic development through the employment we are able to provide throughout the state and through contracts we have with small restaurants in the most rural areas of our state.

I appreciate the opportunity to testify before your committee today and would be happy to answer any questions you might have.

Testimony # 1

SB 2242
Senior Mill Levy Match

March 8, 2011

House Finance and Tax Committee

The Senior Mill Levy Match was established by the ND Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the program and directed the types of expenses for which mill levy funds could be spent to services designed to assist seniors in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, and health related services.

The original appropriation for the Senior Mill Levy Match program was sufficient to provide dollar-for-dollar match of what was being generated at the county or city level. The appropriation for the current biennium, approximately $2,834,000, provides for a match of .667 cents for every dollar levied locally up to one mill.

SB 2242 seeks to restore the Senior Mill Levy program to the original dollar for dollar match. The original bill as introduced set the taxable year used to determine the valuation for the match for 2011. The Senate Finance and Tax Committee and Senate Appropriations Committee amended SB 2242 to include language to address the distribution of the matching funds to correlate with the increased funding to be deposited in the senior citizens services and programs fund, as well as amending the date to be used to determine the taxable valuation to 2013. There will be testimony from the senior service providers detailing the effect of the date change and the process for depositing and distributing the funds and the actual fiscal impact for the next biennium.

SB 2242 is necessary to address the significant increase in the demand for services for ND citizens age 85 and older and the growing recognition for the need for more in-home services. Increasing funding for this continuum of care results in more efficient use of taxpayer dollars for the delivery of this needed care for our seniors. I believe additional funding for senior services is needed now, not later and would urge the committee to consider amending SB 2242 to provide additional funds this biennium – as will be explained by those to follow me.

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Percent of ND Population 60 Years of Age and Older

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Testimony #2
p.1

Testimony
Senate Bill 2242
House Finance and Taxation Committee
March 8, 2011

Chairman Belter and members of the committee, my name is Brian Arett. I am the Executive Director of Valley Senior Services and a representative of the 26 agencies that are members of the North Dakota Senior Service Providers (NDSSP) that provide Older American Act Services to the senior population of this state. I am here to testify in support of Senate Bill 2242.

The Senior Mill Levy Match was established by the North Dakota Legislature in 1971 to provide funding for services for senior citizens. The 1991 Legislative Assembly amended the Senior Mill Levy Match program restricting the types of expenses that mill levy funds can be spent on to services designed to assist senior citizens in maintaining their independence. These services include home delivered meals, congregate dining, transportation, outreach assistance, health related services and the maintenance of senior citizens centers where services are provided.

The original appropriation for the Senior Mill Levy Match program was sufficient to provide dollar for dollar match of what was being generated at the county or city level. The appropriation for the current biennium provides for a match of .667 cents for every dollar levied locally up to one mill.

SB 2242 restores the Senior Mill Levy Match program to the original dollar for dollar match of what is levied at the local level up to one mill. This increase in funding will

provide resources for service providers to meet the growing needs of an increasingly aging population. And it will allow these services to be provided in an in-home setting expanding the continuum of care for the senior population. More importantly, it will provide additional funding in support of the many senior centers throughout the state to make sure that they are able to be adequately maintained so that they are available for the provision of services for the elderly.

For example, the Mayville Senior Center in Traill County recently had an energy audit completed on their building which is more than 30 years old. The result was that they need to replace their furnace which is out of date and energy inefficient. In addition they have several leaks in the roof so need extensive work to repair that. The cost of these two items combined will be more than $10,000. They currently receive $5,000 in mill levy funds/year which are spent on utilities, cleaning expenses and minor repairs.

The senior center in Lisbon (Ransom County) is in need of a new stove to replace the commercial stove installed when the building was opened more than 30 years ago. The current stove was used when installed and has become a hazard to operate. The cost of a new stove with updates to their hood and fire suppression system will again be more than $10,000. They currently receive $6,000/year in mill levy funds which they also spend on utilities, some maintenance and repairs.

I could list several more similar examples for senior centers in each of the six counties we manage. The bottom line is these facilities serve as a major focal point for seniors in

their respective communities. They are a place where seniors congregate and where services are provided that assist them in maintaining an active and independent lifestyle. In many towns the senior center is one of the last few active facilities in town.

Our request is based on the growing demand for services for people age 85 and older and the increasing recognition of the need for more in-home services. We feel that increasing funding for the continuum of care results in better government at less cost to the taxpayer. It also promotes independence throughout the rural communities of our state. Finally, it results in economic development through the employment we are able to provide throughout the state and through contracts we have with small restaurants in the most rural parts of our state.

A final request we have of your committee is to amend the legislation as passed by the Senate. The original bill was effective for years beginning after December 31, 2010 which would make funds available to senior clubs and providers beginning in February of ~~2012~~ 2013

I appreciate the opportunity to testify before your committee today and would be happy to answer any questions you might have.

#2 p. 4

North Dakota Senior Service Providers
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September 2010

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Providing Home Delivered and Congregate Meals, Outreach, Health Maintenance, and Legal Assistance Services for Older Adults in 198 North Dakota Communities

Testimony #3
p. 1

Testimony in Support of SB 2242
House Finance and Taxation Committee
March 8, 2011

Good Morning Chairman Belter and members of the committee. I am Pat Hansen, Director of South Central Adult Services - a rural service provider in 7 ND counties including Barnes, LaMoure, Foster, Logan, McIntosh, Griggs and Emmons. I am also President of the North Dakota Senior Service Providers and a Board Member of the Dakota Transit Association.

I am here to provide you with information concerning the value of the senior mill levy match to my program and to the seniors in the counties I serve. The county councils on aging use their mill levy dollars and the state match they receive to pay the required match for federal Older Americans Act funds, to assist in supporting transit for elderly residents and to pay for other services including chore service and non-billable outreach services that are not funded through other sources. In addition, they use mill levy funds to pay utilities and upkeep on their senior centers.

Why should you care about helping to fund services for older persons and keeping Senior Centers open? There is a fairly simple answer. The types of services provided by my agency and those of my colleagues, help people to remain in their homes. In many of the most rural communities we serve, the Senior Center is the only place remaining where services can be provided. The choice is down to maintaining the senior center or stopping services all together. In some very rural communities, there is a restaurant that we can contract with to provide meal service. However, what we are able to afford to reimburse the restaurant is well below what we should be paying them – and restaurants statewide have said – "we are not going to contract with you anymore".

Staffing is also becoming a much larger issue in our rural counties. Twenty-five years ago, you could hire someone in a small town and there was no expectation on the employees' part that there would be any type of paid benefits. If you offered some paid days off – that was equal to or above what other employers in small towns were providing. Well, things have changed. Even in small towns – most employers are providing paid benefits beyond days off. At least 7 senior service agencies across that state (all rural providers) are offering no paid benefits (because there is no money to do it) and not surprisingly are unable to find staff. Do we just abandon services for older people in rural areas all together? That looks like the choice we are facing sooner rather than later.

Statewide, we really have had to ignore addressing any additional needs we see that "should" be met to help older people maintain their independence. We are doing the best we can to maintain the services there are – but without some additional funding, even maintaining current services will be difficult at best.

I also want to share just a little bit more about who the services providers are that use Mill Levy dollars. We are non-profit organizations that provide community based services to more than 27,000 persons over age 60 each year. To provide these services, we use a combination of paid staff and more than 80,000 hours per year of volunteer services. We provide services in more than 180 communities (large and tiny) all across the state. We are reimbursed by the Department of Human Services on a per service unit basis for only part of the cost of each service. The rest of the actual cost of the service is paid with clients' voluntary contributions for the service, required local match and additional local funds needed to pay the bills. The required local match and additional local funds come from county mill levy and state mill levy match money and fundraising dollars.

We often get questions from Legislators about the "voluntary contribution" part of how our services are provided. We cannot, by Federal regulation, "charge" for the services we provide (45CFR1321.67). We need to work within the framework of rules that we are given. That being said, in addition to needing to find local money for the required match and additional local dollars to pay the bills, there is only enough funding available through DHS to reimburse 86% of the services we provide. The other 14% are totally paid for with local dollars and client contributions. In the meals program alone, just the cost of food has risen from an average of $1.70 per meal to $ 2.30 per meal – a 35% increase - over the last 4 years. The demand for services is outstripping our ability to find the money to pay for them.

We really believe in what we do and are dedicated to helping to make North Dakota the best place possible to grow old in. We need your help to do that and ask that you give SB2242 a Do Pass recommendation. If you have any questions, I would be happy to answer them. Thank you for your time in consideration of this testimony.