

**1999 SENATE HUMAN SERVICES**

**SB 2114**

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2114

Senate Human Services Committee

Conference Committee

Hearing Date JANUARY 12, 1999

Tape Number	Side A	Side B	Meter #
1		X	3,460
1/19/99 1	X		5,820
Committee Clerk Signature <i>Paul Kalodjichev</i>			

Minutes:

The hearing on SB2114 was opened.

KEVIN IVERSON, Director of the TEEM Division for Dept. of Human Services, gave information on bill (written testimony). Amendments were suggested. SENATOR DEMERS asked what the Job Service unemployment rate on Turtle Mountain Reservation? Roulette County is 12%. MR. PETERSON from Job Service said it is up to 19% which is far below the 50% of Fed.

REP. BOUCHE supports bill with amendments. This bill provides that Job Service unemployment statistics be used for the basis of determining the level of unemployment and this would be the basis for the Governor's office to be able to "stop the clock" in cases of chronic unemployment. The Federal Government says that in those areas such as the Reservation where the unemployment exceeds 50%, the Governor has the option to stop the clock and waive the 60

month requirement at any given time. Job Services bases their statistics on contact made. This excludes those individuals who have never come into the office. The objective is to provide training and redirect people so that at some point in time we are going to help them and assist them to become working citizens of this country and eliminate their need for public assistance.

There are a lot of young people - unwed teens - that become dependent on various forms of public assistance. In the Reservation setting we have a number of people that would not be counted under these statistics of the state department methodology. The most accurate methodology and that gives you a most reflective of true unemployment of Turtle Mountain or any other Reservation would be those statistics provided by the Bureau of Indian Affairs.

TOM PETERSON, Job Service, supports bill with amendment.. The program is supported at Job Service. The unemployment rate that is computed each month is done on a national program that is done for every county in the nation. It starts from the people that are claimants from the unemployment insurance program. It builds upon that - also the people that come into the office. On the reservations we find that problem is not so much what we define as unemployed; unemployed to those people who are actively seeking jobs within the past previous prior period. It has to do with discouraged unemployment; those that do not have jobs and are not looking for jobs actively because there are no opportunities in the area or they do not have the training or education for the jobs that are available.

SENATOR BERGER supports bill with amendment. SD has already changed their law.

There was no Opposition.

SENATOR DEMERS asked Mr. IVERSON about page 4. Is this for only Native Americans?

Mr. IVERSON replied is applied to any adult regardless of race. SENATOR DEMERS asked about the Governor holding the clock back. Mr. IVERSON answered that we have the capability to go back to 1997, since that was when the statistics were assembled, and reestablish the count months for those individuals in the affected areas so we would not only stop the clock, but turn the clock back. The time limit and the work requirement are two separate issues. The individuals who are exempt from the time limit would still be counted in the work rate calculation. SENATOR DEMERS: What is our requirement for the Feeds? Are we going to be up at 50%. Mr. IVERSON: Time limit is separate from work requirement. An individual that is exempt from the lifetime limit is still required to participate in the work activity. Work rate is 30%-39% - as long as you receive payment you need to work 25 hours per week. Community service is type of employment. Tribal work is taken out of state employment/ SENATOR KILZER asked how often do BIA statistics come out? Mr IVERSON: Every two years; the most recent report is 1997.

The hearing was closed.

JOHN GRAHAM urged the amendment or other hardship.

Discussion on the bill: 1st amendment

SENATOR DEMERS moved an amendment page 1, line 14, remove the overstrike over "mental or physical disability of a parent or child," ; page 1, line 15, remove the overstrike over "mental or physical incapacity of a parent" and insert immediately thereafter ",or other". SENATOR FISCHER seconded the amendment. Roll call vote passed 6-0. SENATOR LEE moved an amendment on page 3, line 9, after "using" insert "the" and replace "provided by job service North" with "that is most appropriate"; page 3, line 10, remove "Dakota". SENATOR DEMERS



Page 4

Senate Human Services Committee

Bill/Resolution Number SB2114

Hearing Date JANUARY 12, 1999

seconded the amendment. Roll call vote carried 6-0. SENATOR DEMERS moved a DO PASS as AMENDED. SENATOR FISCHER seconded the bill. Roll call vote carried 6-0. SENATOR FISCHER will carry the bill.

## FISCAL NOTE

(Return original and 14 copies)

Bill / Resolution No.: \_\_\_\_\_

Amendment to: Engrossed SB 2114

Requested by Legislative Council

Date of Request: 03/25/99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

**Narrative:**

This engrossed bill contains minor corrections to the state's welfare reform law and requires the department to report to the legislative council or an interim study committee on the proportion of adults living in Indian country who are unemployed. The bill further requires the department to negotiate with the tribal government of any Indian tribe in the state to establish a pilot project to begin operation no sooner than July 1, 2001.

This fiscal note is based upon the assumption that the Turtle Mountain Tribe will be the pilot project. The revenues and expenditures will decrease proportionately as other tribes desire to establish a pilot.

**Further issues to consider:**

- Removal of tribe members, living in Indian country from the State Program should lessen the risk of federal penalty for failure to meet the work requirement.
- TANF operation by a tribe would alleviate the administrative impact on the county and the State administrative reimbursement included in the Department's appropriation for Indian counties could be reduced or eliminated.
- The State's maintenance of effort (MOE) requirement for the TANF block grant would be reduced proportionately based on the amount allocated to the tribe for TANF operations.
- State funds provided to the tribe for TANF operations may be used to meet the State's MOE requirement.
- If the tribe's operation of TANF differs from the State Program, the State would have to modify the TEEM computer system if the State administers the tribal program under contract.
- The State would realize a decrease in retained dollars as the county staff time spent on State TANF cases would be decreased.
- Further analysis of the fiscal impact will result as specific negotiations with the tribes proceed.

2. State fiscal effect in dollar amounts:

	1997-1999		1999-2001		2001-2003	
	Biennium		Biennium		Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:					(240,440)	(6,247,438)
Expenditures:	-0-		-0-		2,823,354	(5,883,480)

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

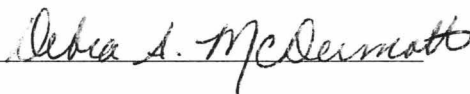
	Revenue	Expenditures
a. For rest of 1997-99 biennium:	_____	-0- _____
b. For the 1999-01 biennium:	_____	-0- _____
c. For the 2001-03 biennium:	(6,487,878)	(3,060,126) _____

4. County, City, and School District fiscal effect in dollar amounts:

	1997-1999			1999-2001			2001-2003		
	Biennium			Biennium			Biennium		
	Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
Revenues:	-0-			-0-			240,440		
Expenditures:	-0-			-0-			-0-		

If additional space is needed, attach a supplemental sheet.

Signed



Typed Name

Debra A. McDermott

Date Prepared: March 26, 1999

Department

Human Services

Phone No.

328-3695

## FISCAL NOTE

(Return original and 13 copies)

Bill / Resolution No.: SB 2114

Amendment to: \_\_\_\_\_

Requested by Legislative Council

Date of Request: 12/31/98

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative: This bill contains minor corrections to the state's welfare reform law.

2. State fiscal effect in dollar amounts:

	1997-1999		1999-2001		2001-2003	
	Biennium		Biennium		Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:						
Expenditures:	-0-		-0-		-0-	

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1997-99 biennium:	-0-
b. For the 1999-01 biennium:	-0-
c. For the 2001-03 biennium:	-0-

4. County, City, and School District fiscal effect in dollar amounts:

	1997-1999			1999-2001			2001-2003		
	Biennium			Biennium			Biennium		
	Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
	-0-								

If additional space is needed,  
attach a supplemental sheet.

Signed

*Brenda M. Weisz*

Typed Name

Brenda M. Weisz

Date Prepared: January 5, 1999

Department

Human Services

Phone No.

328-2397

PROPOSED AMENDMENTS TO SENATE BILL NO. 2114

Page 1, line 14, remove the overstrike over "~~mental or physical disability of a parent or child, or~~"

Page 1, line 15 remove the overstrike over "~~mental or physical incapacity of a parent~~" and insert immediately thereafter "or other"

Page 3, line 9, after "using" insert "the" and replace "provided by job service North" with "that is most appropriate"

Page 3, line 10, remove "Dakota"

Renumber accordingly

Date: 1/19/99  
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2114

Senate HUMAN SERVICES COMMITTEE Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number 98213.0101

Action Taken Amendment

Motion Made By Sen DeMers Seconded By Sen Fischer

Senators	Yes	No	Senators	Yes	No
Senator Thane	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Lee	✓				
Senator DeMers	✓				
Senator Mutzenberger	✓				

Total 6 (yes) 0 (no)

Absent 0

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:  
page 1 line 14 & 15

Date: 1/19/99  
Roll Call Vote #: 2

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2114

Senate HUMAN SERVICES COMMITTEE Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number 98213.0101

Action Taken Amendment 2

Motion Made By Sen Lee Seconded By Sen DeMers

Senators	Yes	No	Senators	Yes	No
Senator Thane	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Lee	✓				
Senator DeMers	✓				
Senator Mutzenberger	✓				

Total 6 (yes) 0 (no)

Absent 0

Floor Assignment \_\_\_\_\_

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

Page 3 line 10-11

Date: 1/19/99  
Roll Call Vote #: 3

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2114

Senate HUMAN SERVICES COMMITTEE Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number 98213.0101

Action Taken Do pass as amended

Motion Made By Sen De Mers Seconded By Sen Fischer

Senators	Yes	No	Senators	Yes	No
Senator Thane	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Lee	✓				
Senator DeMers	✓				
Senator Mutzenberger	✓				

Total 6 (yes) 0 (no)

Absent 0

Floor Assignment Sen Fischer

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

2 amendments page 1 lines 14-15  
page 3 lines 9-10

**REPORT OF STANDING COMMITTEE**

SB 2114: Human Services Committee (Sen. Thane, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2114 was placed on the Sixth order on the calendar.

Page 1, line 14, remove the overstrike over "~~mental or physical disability of a parent or child,~~"

Page 1, line 15, remove the overstrike over "~~mental or physical incapacity of a parent~~" and insert immediately thereafter ",or other"

Page 3, line 9, after "using" insert "the" and replace "provided by job service North" with "that is most appropriate"

Page 3, line 10, remove "Dakota"

Renumber accordingly



**1999 HOUSE HUMAN SERVICES**

**SB 2114**

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2114

House Human Services Committee

Conference Committee

Hearing Date February 24, 1999

Tape Number	Side A	Side B	Meter #
1	X		34.4 - End
1		X	0.0 - 21.3
1		X	32.0 - End
Committee Clerk Signature <i>Susann Lindsteegen</i>			

Minutes:

KEVIN IVERSON, Director of the Training, Education, Employment and Management Division, Department of Human Services, testified (Testimony attached).

Rep. ROXANNE JENSEN discussed the testimony, page 4, paragraph 1 on the TANF clock and paragraph 3 mentions those individuals are included in the state work rate population. I am confused by the two concepts. Please explain further.

KEVIN IVERSON explained there are two primary federal requirements for the TANF law which must be adhered to in our TEEM Program. One, the lifetime limit of 60-months applies to adults within a family. We can exempt months if the individual resides within the Indian counties and the unemployment is over 50%. Two, the work requirement which says states must have a certain percentage of adults in an approved work activity for a particular or average

number of hours per week. I'm trying to emphasize that even though we stop the clock or exempt them from the lifetime limit, they are not exempt from the work requirement.

Rep. ROXANNE JENSEN asked do you have an idea what the economic effect of that would be;

at what level will we see sanctions; or are the numbers such that its likely to happen? KEVIN

IVERSON stated at this time we are meeting the work rate requirement. It is of great concern to

make sure we keep our numbers up to meet work participation requirement which is now 35% of

our case load. It increases 5% every year. Rep. ROXANNE JENSEN asked was there an

objection to the IDA's (individual development accounts)? KEVIN IVERSON stated the

objection is twofold: (1) we emphasize the higher asset limits and in that respect, allowing a

specific savings account, and (2) administrative federal rules create an administrative headache.

We looked at the higher asset limits, we felt there was enough flexibility for an individual paid

money and still be within the asset limits and secondly we wouldn't have to deal with

administrative procedures required for IDA. Our experience with the TANF rules and the

programs in other states, we want to recommend to the committee that they may want to consider

that because other states have used a lower asset limit but then have coupled that with an IDA.

Rep. BRUCE ECKRE discussed the loss of one's job and having to look for another job and

relocate and further commented that we are going to treat Native Americans different with this

legislation. Is that correct? KEVIN IVERSON stated it would allow the exemption for these

areas. In response to the question on relocation, to force someone to do that and relocate, we

offer assistance in terms of relocation for anybody across the state if they are looking for work.

An individual wants to remain in that area, maybe they're getting very cheap rent, family

network close by. We can't force them to leave. Even though they stay in that area, as a

program requirement, we ask them to be involved in a work activity for a minimum of 25 hours per week.

Rep. WANDA ROSE asked what percentage of the caseload is presently exempt under section 1-C., Other Hardships? KEVIN IVERSON said zero because we cannot exempt the individual until they get the 60-month time limit. Rep. WANDA ROSE asked are we exempting mental or physical disability? KEVIN IVERSON stated we are exempting them from the time limit per the federal law. They may be exempted from the work requirement. That is a state decision. We count the months and once they hit the 60 months, then we can consider the hardship exception which will allow them to receive benefits beyond 60 months. Its only the unemployment exemption in Indian country that allows us to specifically not count the months. Rep. WANDA ROSE asked how many of those individuals that have participated in the jobs program remain employed and become independent? KEVIN IVERSON stated I don't have the exact figures. The recidivism rate is quite a bit higher than you'll find in other parts of the state.

Rep. TODD PORTER asked for clarification on the IDA's and whether it was only for the purchase of a home, business, or education? KEVIN IVERSON stated that is correct. Rep. TODD PORTER asked is the IDA's more like a trust and under the rules money cannot be withdrawn without state approval? KEVIN IVERSON stated yes, if the individual is on assistance, yes there are rules that prohibit withdrawing the funds. Rep. TODD PORTER asked if the person comes off assistance, can they spend that money on anything? KEVIN IVERSON said I believe that is correct. Once they leave the program, we don't have any financial restrictions.

Rep. AMY KLINISKE asked what is the percentage of Native Americans on TANF? KEVIN IVERSON said the Native American caseload statewide is approximately 55%. The percentage living on the reservations is approximately 40%.

Rep. SALLY SANDVIG asked why do you want to lower the asset limitation; is it just to save paperwork for the department? KEVIN IVERSON stated the primary reason is we are trying to save paperwork for the county. We're trying to maintain the link between the Medicaid Program and the TANF Program - TEEM. With the welfare reform law, that link was severed. The reason being is that Congress at the President's urging was afraid that states would take the new TANF law grants and race to the bottom - meaning cut benefits and drive a lot of people off the program. In order to protect children and provide assistance, they said no longer will there be a direct link between AFDC, TANF, and Medicaid. States can maintain that link but must follow certain Medicaid rules. Rep. SALLY SANDVIG asked isn't that contrary to the purpose of the plan to helping people get on their feet by saying you can't have anything? KEVIN IVERSON said in a global sense, yes. Any restriction can be seen that way. In our caseload, we found very few cases, less than ten, that would be affected by this. That's lowering it to the Medicaid limit. We felt that the impact on the clients would be minimal. Rep. SALLY SANDVIG asked why aren't you content with the Bureau of Indian Affairs unemployment rate and possibly looking at another source? KEVIN IVERSON said they have the flexibility to choose the methodology. The concern with BIA statistics is twofold: (1) the report comes out every two years; and (2) comparison between BIA statistics (unemployment in Rollette County is 57%) and Job Service or Department of Labor statistics (10-12%). The reason is BIA statistics include those that are

discouraged and those unemployed who are seeking work; Job Service statistics are just those unemployed who are seeking work.

Rep. WILLIAM DEVLIN asked is the term "hardship" a federal term and if so what is the federal definition? KEVIN IVERSON stated it is a federal term but there is no federal definition but it is up to the states to decide. Rep. WILLIAM DEVLIN asked who will be involved in reaching the agreement? KEVIN IVERSON stated the best way would be through administrative rule. The most affected is the tribal areas.

Rep. CAROL NIEMEIER asked what types of situations are included in hardship cases? KEVIN IVERSON stated it might things like serious unemployment in the area. Last session we came up with physical and mental incapacity or disability. If we address those through the administrative rule process, we could include or expand the hardship exemption. But, we're still limited to 20% of the monthly caseload. Rep. CAROL NIEMEIER asked could that possibly include victims of abuse or domestic violence? Will that decision be made by the county offices or by the state? KEVIN IVERSON stated yes to the first question in two ways because domestic violence has incapacitated or disabled that individual or just domestic violence. In response to the second question, the rules or the procedures would be set by the state, the determination or the application would come from the county. Rep. CAROL NIEMEIER asked would that language also be substituted on I. page 2, in reference to disability and incapacity? KEVIN IVERSON said no, because that applies to the work requirement. Our major concern is if we fail to meet the work requirement, we could be penalized in the loss of federal dollars. I would recommend the committee leave it as a lifetime limit exemption but not from the work requirement.

Rep. SALLY SANDVIG expressed concern on the asset limitation. Is that saying someone couldn't have life insurance if it had a certain cash value, i.e., burial account? KEVIN IVERSON stated the burial accounts are exempt, I believe, however, life insurance with a cash value is counted toward the asset limitation for both programs. Typically, TANF or TEEM do not have a burial account or life insurance. Rep. SALLY SANDVIG asked does the program still include an unemployed parent program on TANF? KEVIN IVERSON stated the unemployed parent program which allowed for two parents to be in the home and deprivation of the child based on unemployment was eliminated. In this case, two parents can be in the home but one of them must be disabled.

Rep. CLARA SUE PRICE asked how is the department tracking people from other states with different time limits? KEVIN IVERSON stated South Dakota has brought it up to 60. The most notable one is Texas with seasonal workers. Rep. CLARA SUE PRICE stated that during the interim the Tribes testified that tribal members are being encouraged to come back to the reservation and further asked is there anything that we as a state can or should do as far as tracking mechanisms? KEVIN IVERSON stated there are three things that have to be looked at and are always in the context of current programs. First, if the move was within the state, they were under the 60 month time limit; if they came from out-of-state, we would consider that time limit. However, if they came into an area that was exempt from the time limit because of high unemployment rate, we wouldn't have that as a means of leverage. Three of the four reservations would be impacted by the unemployment rate - Turtle Mountain, Spirit Lake, and Standing Rock. Second, if they quit a job, being exempt from the time limit does not exempt

them from the other program rules. We have rules for job quit where a penalty does apply.

Third, an individual who receives assistance is still subject to the work requirement.

Rep. SALLY SANDVIG asked was there any attempt to include additional education under the

program? KEVIN IVERSON stated the issue comes back to the work requirements. We are

meeting them. We do allow or look at clients who choose to go to school and will support them

if they meet their federal work requirements. It has to be in addition to what is required for

TANF. Rep. SALLY SANDVIG expressed concern for the single parent with children, trying to

go to school, work 25 hours, and the related stress. KEVIN IVERSON stated yes, it is a burden.

But a lot of people have done it. The issue comes down to what is best for the state as a whole.

Rep. WILLIAM DEVLIN asked about the fiscal notes showing no impact. KEVIN IVERSON

stated we don't see this as an impact on the program operation. The unemployment rate changes

in the reservation counties, we wouldn't see that until the 60 months have passed, maybe two

years down the road.

Rep. SALLY SANDVIG asked about a disabled parent with life insurance who must spend it

down to get assistance, and the county will have to foot the bill if the person dies. KEVIN

IVERSON stated under the rules, if there is a cash value to the life insurance and it is countable,

the requirement is that the individual use that asset to support the family before going on

assistance. It could create a burden for the family and the county. If the individual is on SSI

because of a disability, we do not count the assets of an SSI recipient.

Rep. CLARA SUE PRICE stated the cash value is \$8,000 for two people in the household.

KEVIN IVERSON stated we are looking at \$8,000 for countable assets, e.g. cash, savings



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House Human Services Committee

Bill/Resolution Number SB 2114

Hearing Date February 24, 1999

accounts, cash value life insurance. Assets that are not countable are exempt, e.g., vehicle, house, personal belongings.

Rep. SALLY SANDVIG asked are there any states that have decided to heck with the federal rules? What happened to them? KEVIN IVERSON stated none that are going to come out and say it and none to my knowledge. Some states have taken a different approach to TANF but to out and out reject federal rules, you would jeopardize your block grant.

Rep. CLARA SUE PRICE asked what is the amount of the block grant? KEVIN IVERSON said we receive roughly \$26.4 million per year for TANF. The amount is derived from what we received in AFDC, JOBS, and Emergency Assistance funding. With a declining caseload, we are seeing some moneys available for carryover in future years. With a block grant, if we don't spend the money we can carry it over to subsequent years.

#### OPPOSITION

None.

Hearing closed

Committee Discussion.

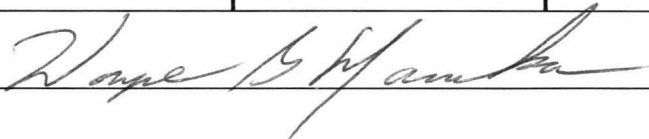
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2114

House Human Services Committee

Conference Committee

Hearing Date March 8, 1999

Tape Number	Side A	Side B	Meter #
2		x	23.0-end
3	x		0.0-7.2
Committee Clerk Signature 			

Minutes:

Rep. ROBIN WEISZ moved an amendment on page 3, line9 to change “most appropriate” to “provided by Job Services”. Rep. WILLIAM DEVLIN seconded. In the discussion that followed several points were brought up. While the BIA numbers more accurately reflect the cultural attitudes of employment on the reservation than do the statistics prepared by Job Service, the BIA numbers are always two years old. There are two areas that are affected by the decision; the five year limit on TANF benefits and the work requirement. There will really be no impact before the next legislative session. There is an amendment coming to conduct a study on the jobless rate calculations for Native Americans. Depending on the procedure used to calculate the unemployment rates on the reservations, there could be a migration to the reservations because of a perception of limitless benefits.

Amendment PASSED: 11 Yes, 4 No, 0 Absent.

Page 2  
House Human Services Committee  
Bill/Resolution Number 2114mar8  
Hearing Date March 8, 1999

Rep. WILLIAM DEVLIN moved to amend the bill to remove the 65:1 caseload ratio requirement of the counties. Rep. ROBIN WEISZ seconded. After discussion the motion was voted. Motion PASSED: 15-0-0.

Rep. WANDA ROSE moved an amend page 3, line 5.r. to remove the word 'not'. Rep. CAROL NIEMEIER seconded. There was discussion as to whether the exemption of these funds would promote an individual getting off welfare or provide an opportunity for the individual to take advantage of the system. Motion PASSED: 10-5-0

Rep. WILLIAM DEVLIN moved 'DO PASS AS AMENDED'. Rep. WANDA ROSE seconded.

Motion PASSED, roll call vote #4. Yes: 14, No: 1, Absent: 0

CARRIER: Rep. RALPH METCALF

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2114

House Human Services Committee

Conference Committee

Hearing Date March 17, 1999

Tape Number	Side A	Side B	Meter #
1	x		45.0-end
2		x	0.0-8.7
Committee Clerk Signature <i>Wayne G. Manska</i>			

Minutes:

Opened COMMITTEE DISCUSSION.

Rep. CLARA SUE PRICE told the committee the SB2114 had been returned for an additional amendment and had not been acted on in the House. One of the things to be addressed is the wording of individual development accounts (IDAs) which requires exempting but should provide more flexibility. Discussion noted that if left as an option, it won't be done. KEVIN IVERSON, Director of the Training, Education, Employment and Management Division, Department of Human Services, was invited to discuss some options with the committee. He provided four possible amendments that were prepared by department legal staff which would provide flexibility without restricting the department. Using the term "consider exempting would meet federal requirements and provide the flexibility desired.

Page 2

House Human Services Committee

Bill/Resolution Number 2114mar17

Hearing Date March 17, 1999

The committee also discussed how unemployment figures were determined. It was decided that

Mr. IVERSON would work with a subcommittee on this.

Rep. AMY KLINISKE moved to amend the bill to include the “consider exempting” language

relative to IDAs. Rep. ROBIN WEISZ seconded the motion. After additional discussion the

motion passed on a roll call vote: 8 YES, 4 NO, 3 ABSENT.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2114

House Human Services Committee

Conference Committee

Hearing Date March 23, 1999

Tape Number	Side A	Side B	Meter #
1	x		0.0-end
Committee Clerk Signature <i>Wage B. J. ...</i>			

Minutes:

Opened COMMITTEE DISCUSSION.

Rep. ROBIN WEISZ introduced amendments that would require the Department of Human Services to report to the Legislative Council the progress on efforts to determine the most reliable current data on Indian country unemployment. Neither Job Service nor BIA have current accurate figures. The amendment would leave the process as it is but require a better solution to be found which might include the administration of TANF by the tribes. Rep. ROBIN WEISZ moved the amendments, seconded by Rep. AMY KLINISKE.

Mr. KEVIN IVERSON, Director of the Training, Education, Employment and Management Division, Department of Human Services responded to questions from the committee. The discussion brought forth several points. Job Service figures are inaccurate because they are by county and use the age of sixteen. Federal law requires calculations to be made for "adults" that

Page 2

House Human Services Committee  
Bill/Resolution Number 2114mar23  
Hearing Date March 23, 1999

reside in "Indian Country". BIA figures are as least two years old and don't reflect the current situation. The change to a pilot project came about because just unemployment figures don't address the whole problem. They don't take into account the differing work participation and the cultural issues that are applicable to the Native Americans. The amendment will provide a little more direction to try to solve the tribal problems and to show state willingness to cooperate with the tribes in resolving some of their problems.

The question was called. The amendments PASSED on a voice vote: 14 YES, 0 NO, 1 ABSENT.

Rep. ROBIN WEISZ move DO PASS AS AMENDED, seconded by Rep. AMY KLINISKE.

The motion PASSED on roll call vote: 11 YES, 3 NO, 1 ABSENT.

CARRIER: Rep. ROBIN WEISZ.

VR  
3/9/99

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2114 HUMSER 3/9/99**

Page 1, line 1, after "reenact" insert "subsection 2 of section 50-01.2-00.1 and"

Page 1, line 2, after "to" insert "local expenses of administration and"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Subsection 2 of section 50-01.2-00.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. "Local expenses of administration" includes costs for personnel, space, equipment, computer software, ~~costs associated with achieving caseload ratios of sixty five cases to one worker,~~ materials, travel, utilities, and related costs, and the indirect costs properly allocated to those costs. The term does not include initial acquisition of computers and related hardware approved by the department for the training, education, employment, and management program, custom computer programs, custom software development, computer operations undertaken at the direction of the department, and computer processing costs to the extent those costs exceed, in any calendar year, that county's costs of operation of the technical eligibility computer system in calendar year 1995 increased by the increase in the consumer price index for all urban consumers (all items, United States city average) after January 1, 1996, or, unless agreed to by the county social service board, any costs related to pilot programs before the programs are implemented on a statewide basis."

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2114 HUMSER 3/9/99**

Page 3, line 5, overstrike "Not exempt" and insert immediately thereafter "Exempt"

Page 3, line 9, replace "that is most appropriate" with "provided by job service North Dakota"

Renumber accordingly



Date: 3/8/99  
 Roll Call Vote #: 2

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2114

House Human Services Committee

Subcommittee on \_\_\_\_\_  
 or

Conference Committee

Legislative Council Amendment Number Amendment #1 - 2114

Action Taken \_\_\_\_\_

Motion Made By Rep Weisz Seconded By Rep Devlin

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman	✓		Bruce A. Eckre	✓	
Robin Weisz - Vice Chairman	✓		Ralph Metcalf		✓
William R. Devlin	✓		Carol A. Niemeier		✓
Pat Galvin	✓		Wanda Rose		✓
Dale L. Henegar	✓		Sally M. Sandvig		✓
Roxanne Jensen	✓				
Amy N. Kliniske	✓				
Chet Pollert	✓				
Todd Porter	✓				
Blair Thoreson	✓				

Total Yes 11 No 4  
 Absent 0

Floor Assignment \_\_\_\_\_

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

Change pg 3 line 9 from "most appropriate" to "provided by job services"

Date: 3/8  
 Roll Call Vote #: 3

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB2114

House Human Services Committee

- Subcommittee on \_\_\_\_\_  
 or  
 Conference Committee

Legislative Council Amendment Number Amend # 2 to 2114

Action Taken \_\_\_\_\_

Motion Made By Rep Rose Seconded By Rep Niemeier

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman	✓		Bruce A. Eckre	✓	
Robin Weisz - Vice Chairman		✓	Ralph Metcalf	✓	
William R. Devlin	✓		Carol A. Niemeier	✓	
Pat Galvin	✓		Wanda Rose	✓	
Dale L. Henegar		✓	Sally M. Sandvig	✓	
Roxanne Jensen	✓				
Amy N. Kliniske	✓				
Chet Pollert		✓			
Todd Porter		✓			
Blair Thoreson		✓			

Total Yes 10 No 5  
 Absent 0

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:  
Exempt personal development accounts from eligibility requirements

Date: 3/8/99  
 Roll Call Vote #: 4

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2114

House Human Services Committee

- Subcommittee on \_\_\_\_\_  
 or  
 Conference Committee

Legislative Council Amendment Number ~~SB 2114~~  
~~Do Pass as Amended~~

Action Taken Do Pass as Amended

Motion Made By Devlin Seconded By Rose

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman	✓		Bruce A. Eckre	✓	
Robin Weisz - Vice Chairman	✓		Ralph Metcalf	✓	
William R. Devlin	✓		Carol A. Niemeier	✓	
Pat Galvin	✓		Wanda Rose	✓	
Dale L. Henegar	✓		Sally M. Sandvig	✓	
Roxanne Jensen	✓				
Amy N. Kliniske	✓				
Chet Pollert	✓				
Todd Porter		✓			
Blair Thoreson	✓				

Total Yes 14 No 1  
 Absent 0

Floor Assignment Rep Metcalf.

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

REPORT OF STANDING COMMITTEE

SB 2114, as engrossed: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed SB 2114 was placed on the Sixth order on the calendar.

Page 1, line 1, after "reenact" insert "subsection 2 of section 50-01.2-00.1 and"

Page 1, line 2, after "to" insert "local expenses of administration and"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Subsection 2 of section 50-01.2-00.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. "Local expenses of administration" includes costs for personnel, space, equipment, computer software, ~~costs associated with achieving caseload ratios of sixty five cases to one worker,~~ materials, travel, utilities, and related costs, and the indirect costs properly allocated to those costs. The term does not include initial acquisition of computers and related hardware approved by the department for the training, education, employment, and management program, custom computer programs, custom software development, computer operations undertaken at the direction of the department, and computer processing costs to the extent those costs exceed, in any calendar year, that county's costs of operation of the technical eligibility computer system in calendar year 1995 increased by the increase in the consumer price index for all urban consumers (all items, United States city average) after January 1, 1996, or, unless agreed to by the county social service board, any costs related to pilot programs before the programs are implemented on a statewide basis."

Page 3, line 5, overstrike "Not exempt" and insert immediately thereafter "Exempt"

Page 3, line 9, replace "that is most appropriate" with "provided by job service North Dakota"

Renumber accordingly

Date: 3-17-99

Roll Call Vote #: 3

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2114

House Human Services Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Move Amend

Motion Made By Rep Kliniske Seconded By Rep Weisz

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman	✓		Bruce A. Eckre	✓	
Robin Weisz - Vice Chairman	✓		Ralph Metcalf	✓	
William R. Devlin	✓		Carol A. Niemeier		✓
Pat Galvin	✓		Wanda Rose		
Dale L. Henegar	✓		Sally M. Sandvig		✓
Roxanne Jensen					
Amy N. Kliniske	✓				
Chet Pollert		✓			
Todd Porter		✓			
Blair Thoreson					

Total Yes 8 No 4  
Absent 3

Floor Assignment \_\_\_\_\_

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

"Consider" exempting IDA's

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2114,  
FIRST ENGROSSMENT WITH HOUSE AMENDMENTS

Page 1, line 3, after "families" insert "to authorize the department to negotiate a pilot project for North Dakota's participation in direct funding and administration of tribal temporary assistance to needy families and to provide for reports to the Legislative Council"

Page 5, after line 13, insert:

"SECTION 3. Reports to legislative council - unemployment in Indian country. The department of human services shall periodically report to the legislative council, or an interim study committee designated by the legislative council, on the progress in its efforts to determine the most reliable current data concerning the proportion of adults living in Indian country who are unemployed.

SECTION 4. Legislative intent - Department may negotiate a pilot project for North Dakota participation in direct funding and administration of tribal temporary assistance to needy families - Reports to legislative council.

1. It is the intent of the legislative assembly that the department of human services shall offer to negotiate with the tribal government of any Indian tribe in North Dakota to establish a pilot project, to begin operation no sooner than July 1, 2001, under which that tribal government will secure direct funding for the administration of a tribal family assistance grant under 42 U.S.C. § 612 from the United States department of health and human services, and under which the state of North Dakota will participate, in cash or in kind, in the cost of providing services under the tribal family assistance grant, provided:
  - a. All components of the program are administered by the department of human services, one or more county social service boards, one or more contractors with the department of human services, or any combination thereof;
  - b. Interagency agreements entered into between the department of human services and other

state or federal agencies, essential to North Dakota's receipt of federal funds otherwise available under Title IV-A, Title IV-B, Title IV-D, or Title IV-E of the Social Security Act, will be honored by the tribe to the extent the department of human services requires county social service boards to honor those agreements;

c. The annual funding contributed by the state of North Dakota shall not exceed an amount calculated by dividing the non-federal share of total North Dakota expenditures under Title IV-A of the Social Security Act for the twelve-month period beginning October 1, 1993, and ending September 30, 1994, by the monthly average number of Title IV-A filing units receiving Title IV-A benefits in North Dakota during that period, and multiplying the result times the number of IV-A filing units on April 1, 1999, with a primary information person who:

(1) Is an enrolled member of the tribe or is married to an enrolled member of the tribe who is also a member of that IV-A filing unit; and

(2) Lives in Indian country within a North Dakota county that also includes Indian reservation lands subject to the exclusive jurisdiction of the tribe; and

d. North Dakota's financial participation in the pilot project will be terminated upon breach of the negotiated agreement.

2. The department of human services shall periodically report to the legislative council, or to an interim study committee designated by the legislative council, on the progress of any negotiation conducted under section 1.

3. An interim committee designated by the legislative council to receive reports under subsection 2 shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly."

Renumber accordingly

VR  
3/24/99  
1072

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2114 HUMSER 3/24/99**

Page 1, line 1, after "reenact" insert "subsection 2 of section 50-01.2-00.1 and"

Page 1, line 2, after "to" insert "local expenses of administration and" and after "families" insert "; to authorize the department of human services to negotiate a pilot project for the state's participation in direct funding and administration of tribal temporary assistance to needy families; and to provide for reports to the legislative council"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Subsection 2 of section 50-01.2-00.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. "Local expenses of administration" includes costs for personnel, space, equipment, computer software, ~~costs associated with achieving case load ratios of sixty five cases to one worker,~~ materials, travel, utilities, and related costs, and the indirect costs properly allocated to those costs. The term does not include initial acquisition of computers and related hardware approved by the department for the training, education, employment, and management program, custom computer programs, custom software development, computer operations undertaken at the direction of the department, and computer processing costs to the extent those costs exceed, in any calendar year, that county's costs of operation of the technical eligibility computer system in calendar year 1995 increased by the increase in the consumer price index for all urban consumers (all items, United States city average) after January 1, 1996, or, unless agreed to by the county social service board, any costs related to pilot programs before the programs are implemented on a statewide basis."

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2114 HUMSER 3/24/99**

Page 3, line 5, overstrike "Not exempt" and insert immediately thereafter "Consider exempting"

Page 3, line 9, replace "that is most appropriate" with "provided by job service North Dakota"

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2114 HUMSER 3/24/99**

Page 4, after line 22, insert:

**"SECTION 3. REPORTS TO LEGISLATIVE COUNCIL - UNEMPLOYMENT IN INDIAN COUNTRY.** The department of human services shall periodically report to the legislative council, or an interim study committee designated by the legislative council, on the progress in its efforts to determine the most reliable current data concerning the proportion of adults living in Indian country who are unemployed.

**SECTION 4. LEGISLATIVE INTENT - DEPARTMENT TO NEGOTIATE PILOT PROJECT - REPORTS TO LEGISLATIVE COUNCIL.**

1. It is the legislative intent of the legislative assembly that the department of human services offer to negotiate with the tribal government of any Indian tribe in this state to establish a pilot project to begin operation no sooner than July 1, 2001, under which that tribal government will secure direct funding for the administration of a tribal family assistance grant under 42 U.S.C. 612 from the United States department of health and human



services, and under which the state will participate, in cash or in kind, in the cost of providing services under the tribal family assistance grant, provided:

- a. All components of the program are administered by the department of human services, one or more county social service boards, one or more or more contractors with the department of human services, or any combination thereof;
  - b. Interagency agreements entered into between the department of human services and other state or federal agencies, essential to the state's receipt of federal funds otherwise available under title IV-A, title IV-B, title IV-D, or title IV-E of the Social Security Act, will be honored by the tribe to the extent the department of human services requires the county social service boards to honor those agreements;
  - c. The annual funding contributed by the state may not exceed an amount calculated by dividing the nonfederal share of total state expenditures under title IV-A of the Social Security Act for the twelve-month period beginning October 1, 1993, and ending September 30, 1994, by the monthly average number of title IV-A filing units receiving title IV-A benefits in the state during that period, and multiplying the result times the number of IV-A filing units on April 1, 1999, with a primary information person who:
    - (1) Is an enrolled member of the tribe or is married to an enrolled member of the tribe who is also a member of that IV-A filing unit; and
    - (2) Lives in Indian country within a North Dakota county that also includes Indian reservation lands subject to the exclusive jurisdiction of the tribe;
  - d. The state's financial participation in the pilot project will be terminated upon breach of the negotiated agreement.
2. The department of human services shall periodically report to the legislative council, or to an interim study committee designated by the legislative council, on the progress of any negotiation conducted under subsection 1.
  3. An interim committee designated by the legislative council to receive reports under subsection 2 shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly."

Renumber accordingly

Date: 3-23-99

Roll Call Vote #: VOICE

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB2114

House Human Services Committee

Subcommittee on \_\_\_\_\_  
or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken None Amendments

Motion Made By Rep Weisz Seconded By Rep Kliniske.

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman			Bruce A. Eckre		
Robin Weisz - Vice Chairman			Ralph Metcalf		
William R. Devlin			Carol A. Niemeier		
Pat Galvin			Wanda Rose		
Dale L. Henegar			Sally M. Sandvig		
Roxanne Jensen					
Amy N. Kliniske					
Chet Pollert					
Todd Porter					
Blair Thoreson					

Total Yes 14 No 0  
Absent 1

Floor Assignment \_\_\_\_\_

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

Date: 3-23-99  
 Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2114

House Human Services Committee

Subcommittee on \_\_\_\_\_  
 or  
 Conference Committee

Legislative Council Amendment Number ~~#~~ \_\_\_\_\_

Action Taken Do Pass As Amend.

Motion Made By Rep Weisz Seconded By Rep Kliniske

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman	✓		Bruce A. Eckre		✓
Robin Weisz - Vice Chairman	✓		Ralph Metcalf		
William R. Devlin	✓		Carol A. Niemeier		✓
Pat Galvin	✓		Wanda Rose	✓	
Dale L. Henegar	✓		Sally M. Sandvig	✓	
Roxanne Jensen	✓				
Amy N. Kliniske	✓				
Chet Pollert	✓				
Todd Porter		✓			
Blair Thoreson	✓				

Total Yes 11 No 3  
 Absent 1

Floor Assignment Rep Weisz

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

**REPORT OF STANDING COMMITTEE**

SB 2114, as engrossed: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2114 was placed on the Sixth order on the calendar.

Page 1, line 1, after "reenact" insert "subsection 2 of section 50-01.2-00.1 and"

Page 1, line 2, after "to" insert "local expenses of administration and" and after "families" insert "; to authorize the department of human services to negotiate a pilot project for the state's participation in direct funding and administration of tribal temporary assistance to needy families; and to provide for reports to the legislative council"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Subsection 2 of section 50-01.2-00.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. "Local expenses of administration" includes costs for personnel, space, equipment, computer software, ~~costs associated with achieving caseload ratios of sixty five cases to one worker,~~ materials, travel, utilities, and related costs, and the indirect costs properly allocated to those costs. The term does not include initial acquisition of computers and related hardware approved by the department for the training, education, employment, and management program, custom computer programs, custom software development, computer operations undertaken at the direction of the department, and computer processing costs to the extent those costs exceed, in any calendar year, that county's costs of operation of the technical eligibility computer system in calendar year 1995 increased by the increase in the consumer price index for all urban consumers (all items, United States city average) after January 1, 1996, or, unless agreed to by the county social service board, any costs related to pilot programs before the programs are implemented on a statewide basis."

Page 3, line 5, overstrike "Not exempt" and insert immediately thereafter "Consider exempting"

Page 3, line 9, replace "that is most appropriate" with "provided by job service North Dakota"

Page 4, after line 22, insert:

**"SECTION 3. REPORTS TO LEGISLATIVE COUNCIL - UNEMPLOYMENT IN INDIAN COUNTRY.** The department of human services shall periodically report to the legislative council, or an interim study committee designated by the legislative council, on the progress in its efforts to determine the most reliable current data concerning the proportion of adults living in Indian country who are unemployed.

**SECTION 4. LEGISLATIVE INTENT - DEPARTMENT TO NEGOTIATE PILOT PROJECT - REPORTS TO LEGISLATIVE COUNCIL.**

1. It is the legislative intent of the legislative assembly that the department of human services offer to negotiate with the tribal government of any Indian tribe in this state to establish a pilot project to begin operation no sooner than July 1, 2001, under which that tribal government will secure direct funding for the administration of a tribal family assistance grant under 42 U.S.C. 612 from the United States department of health and human services, and under which the state will participate, in cash or in kind, in

the cost of providing services under the tribal family assistance grant, provided:

- a. All components of the program are administered by the department of human services, one or more county social service boards, one or more or more contractors with the department of human services, or any combination thereof;
  - b. Interagency agreements entered into between the department of human services and other state or federal agencies, essential to the state's receipt of federal funds otherwise available under title IV-A, title IV-B, title IV-D, or title IV-E of the Social Security Act, will be honored by the tribe to the extent the department of human services requires the county social service boards to honor those agreements;
  - c. The annual funding contributed by the state may not exceed an amount calculated by dividing the nonfederal share of total state expenditures under title IV-A of the Social Security Act for the twelve-month period beginning October 1, 1993, and ending September 30, 1994, by the monthly average number of title IV-A filing units receiving title IV-A benefits in the state during that period, and multiplying the result times the number of IV-A filing units on April 1, 1999, with a primary information person who:
    - (1) Is an enrolled member of the tribe or is married to an enrolled member of the tribe who is also a member of that IV-A filing unit; and
    - (2) Lives in Indian country within a North Dakota county that also includes Indian reservation lands subject to the exclusive jurisdiction of the tribe;
  - d. The state's financial participation in the pilot project will be terminated upon breach of the negotiated agreement.
2. The department of human services shall periodically report to the legislative council, or to an interim study committee designated by the legislative council, on the progress of any negotiation conducted under subsection 1.
  3. An interim committee designated by the legislative council to receive reports under subsection 2 shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly."

Renumber accordingly

**1999 HOUSE APPROPRIATIONS**

**SB 2114**

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2114

House Appropriations Committee

Conference Committee

Hearing Date March 29, 1999

Tape Number	Side A	Side B	Meter #
1	x		25.5-47.2
Committee Clerk Signature <i>Casey Davis</i>			

Minutes:

**SB 2114 A bill for an act to amend and reenact subsection 1 of section 50-09-29 of the ND Century Code, relating to requirements for temporary assistance for needy families.**

**CHAIRMAN DALRYMPLE** opened the hearing.

**1A: 26.3 REP. WIESZ**, prime sponsor of the bill, testified in support of it.

**1A: 28.5 CHAIRMAN DALRYMPLE** noted that in 2001-2003 the general fund expenditure will be \$2,823,354. He asked if there are any offsetting savings to that. Rep. Wiesz replied that there are. The intent of the legislation is a zero sum game.

**1A: 31.0 KEVIN IVERSON, Human Services Department**, said that TANF block grant funds would be given to the tribes, and it would offset TANF expenditures. Counties would not have the expenditure. If this was agreed to, the department would work with the tribes to find the most reasonable and cost effective solution.

**1A: 34.1 REP. TIMM** asked if there would be a savings to the department. Mr. Iverson replied that they have not spent much time looking at that issue. There would be more savings in the long run than the short run.

**1A: 35.0 REP. DELZER** said that tribes already have the option to do this, and asked if the department would just come before the legislature for the appropriation. Mr. Iverson replied that this was true. The bill stipulates that they would appear before an interim committee and tell them where they are at.

**1A: 38.7 CHAIRMAN DALRYMPLE** asked for an explanation of the fiscal note. Mr. Iverson said that there will be tradeoffs. For example, the counties would not have the administration costs of running state TANF programs.

**1A: 39.9 REP. BYERLY** said the bill has no fiscal effect now, but the next session of the legislature would make the decision to go forward with the plan. Chairman Dalrymple replied that this was correct.

**CHAIRMAN DALRYMPLE** closed the hearing.

**1A: 42.6 REP. DELZER** moved for a Do Pass. The motion was seconded by Rep. Svedjan.

**1A: 43.1 REP. KERZMAN** expressed his concern that unborn children would be harmed and that he could not let it go by. He moved to amend by deleting certain language on page 4, including the following: line 5 "except through not", line 6 "incest", line 8 "during the months of the child's", and all of line 9. The motion was seconded by Rep. Nichols.

**1A: 45.9 A voice vote** was taken and the motion failed.

**1A: 46.3 A roll call vote** was taken on the motion for a Do Pass, and the motion carried with 19 yeas and 1 nay. Rep. Wiesz will carry the bill.

Date: 3-29-99

Roll Call Vote #:

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2114

House Appropriations Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DO PASS ~~AMEND~~ ~~AMEND~~

Motion Made By DELZER Seconded By SVEDJAN

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	✓		Nichols	✓	
Vice-Chairman Byerly	✓		Poolman	✓	
Aarsvold	✓		Svedjan	✓	
Bernstein	✓		Timm	✓	
Boehm	✓		Tollefson	✓	
Carlson	✓		Wentz	✓	
Carlisle	✓				
Delzer	✓				
Gulleson	✓				
Hoffner	✓				
Huether	✓				
Kerzman		✓			
Lloyd	✓				
Monson	✓				

Total (Yes) 19 No 1

Absent \_\_\_\_\_

Floor Assignment WEISZ, HS Committee

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



REPORT OF STANDING COMMITTEE (410)  
March 30, 1999 8:58 a.m.

Module No: HR-57-5933  
Carrier: Weisz  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2114, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman)**  
recommends **DO PASS** (19 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING).  
Engrossed SB 2114 was placed on the Fourteenth order on the calendar.

**1999 SENATE HUMAN SERVICES**

**SB 2114**

**CONFERENCE COMMITTEE**

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2114CC

Senate Human Services Committee

Conference Committee

Hearing Date APRIL 6, 1999

Tape Number	Side A	Side B	Meter #
2	X		
Committee Clerk Signature <i>Paul Kolodejchuk</i>			

Minutes:

The meeting was called to order by SENATOR LEE. Roll call SENATOR LEE, SENATOR FISCHER, SENATOR MUTZENBERGER, REPRESENTATIVE PRICE, REPRESENTATIVE WEISZ, replacing Representative Svedjan, REPRESENTATIVE METCALF.

SENATOR LEE stated that there were no great difficulties; however, we would like to have the amendments explained so we know why you did what you did. REPRESENTATIVE PRICE responded that they came as a request from the minority leader and the rest of it is the work of Representative Weisz. REPRESENTATIVE WEISZ explained the amendments. They are a collaboration between myself and Rep. Boucher. Section 3 requires department to report to Legislative Council and come up with most reliable way to determine true unemployment data for the tribes. Section 4 will set up the process to negotiate pilot program for tribes to run their

own program; it does not allow them to run a pilot program, no appropriation, no funding, it is merely allowing the department to sit across the table from them and negotiate. They will come to the Legislative body in 2001. It sets up the basic requirements. SENATOR LEE stated that we had a study resolution for unemployment and I see it as a duplicate. REPRESENTATIVE WEISZ: That section was at a specific request of REPRESENTATIVE BOUCHER. In this bill they have to report to Council; the study resolution doesn't have to be heard. SENATOR LEE asked him to lead us through the pilot project. REPRESENTATIVE WEISZ: The department will administer the program. The tribe will contract through section A. Section B has to do with the Federal funds; tribe will get their block grant. Section C says that whatever the state's contribution to recipient is, it would be capped at the level on April 1, 1999. SENATOR LEE asked if the cap is on fund amount. REPRESENTATIVE WEISZ: We are capping total dollars; the point is to get them off welfare to work, puts the responsibility on the tribe. It defines service area. The whole county would be serviced - defines who would qualify. It also specifies that if the tribe breaks the contract our funds are gone. The state's contribution is no greater than it is today; it has to be negotiated. Legislature can decide if we want to do that. Department has nothing to go on until this. SENATOR LEE: Primary on department to get it going or is there equal responsibility on tribes. REPRESENTATIVE WEISZ: The onus is on the department to offer it to the tribes; the tribes don't have to take it. REPRESENTATIVE PRICE: The bill says on page 5, line 2 offer to negotiate. The tribe can do this at any time; they do not need the pilot project. It is between them and the Federal government. REPRESENTATIVE WEISZ: This is only if they want state dollars. SENATOR FISCHER: Do they have some leaders to deal with this? REPRESENTATIVE WEISZ: I don't know - one reason the language was inserted.

It is a contract; it can be very specific; break it and funds stop. This addresses it. SENATOR FISCHER: Since we were there, none of those people are there any more.

REPRESENTATIVE PRICE: There is also a new section 1 that had to deal with 65-1. It was a recommendation; they took it as gospel. Counties would like to remove it. I have further amendments. (1) On page 6, under C, 1 - should read as an enrolled member of "a" tribe.

REPRESENTATIVE WEISZ stated that he felt it needed to be more specific - this is a process of negotiation - it's up to the assembly, the language came from Blaine Nordwall.

REPRESENTATIVE PRICE: (2) After the food stamp resolution was amended, we no longer have a study resolution for welfare reform left in this assembly alive. This is one of the possible places to put it. We are just barely into welfare reform and I would like to make sure it stays.

"Legislative Council may study the effectiveness of the program, the legislative monitoring addresses portions of adopted Indian Country and emphasis of negotiations under this."

REPRESENTATIVE WEISZ: Your concern to add children? REPRESENTATIVE PRICE: I don't see that a child fits in there when you are talking about an information person.

REPRESENTATIVE WEISZ explained that 4 a filing unit brings in children with it. SENATOR

LEE: Would the primary information person be head of household? REPRESENTATIVE

WEISZ: Head of filing unit must be enrolled member and part of family. Children get TANFF - may not be counted in filing unit. REPRESENTATIVE PRICE: This is an outline - not final

contract. I would support "a" tribe in subsection 1 in section C and adding the study resolution.

SENATOR LEE: We don't want people in a different tribe to come in. REPRESENTATIVE

PRICE: Page 6 under C 1 leave "the" tribe. You only want them covered within that Indian

country. REPRESENTATIVE WEISZ: Rep. Price's amendments make it broader; then we can decide if we want to do it that way after the departments work with it. REPRESENTATIVE PRICE: C (1) page 6, line 16 and 17 change the to "a" on both lines and a study resolution. REPRESENTATIVE PRICE moves the Senate accedes to House amendments and further amends study resolution and "a". SENATOR FISCHER seconds. Roll call vote carried 6-0-0.

Date 4/6/99

Roll call vote # 1

Please type or use black pen to complete

1997 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2114

Senate Human Services Committee

Subcommittee on \_\_\_\_\_ (Identify or

Conference Committee  (check where appropriate

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Accede to House & further amend

Motion Made By Rep Price Seconded By Sen Fischer

Senators	Yes	No	Representatives	Yes	No
<u>Lee</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Price</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Fischer</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Keiser</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Mutzenberger</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Metcalf</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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Total 6 0  
(Yes) (No)

Absent 0

Floor Assignment \_\_\_\_\_

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

DO NOT USE HIGHLIGHTER ON ANY FORMS

**REPORT OF CONFERENCE COMMITTEE**

**SB 2114, as engrossed:** Your conference committee (Sens. Lee, Fischer, Mutzenberger and Reps. Price, Weisz, Metcalf) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1006-1008, adopt amendments as follows, and place SB 2114 on the Seventh order:

That the House recede from its amendments as printed on pages 1006-1008 of the Senate Journal and pages 958 and 959 of the House Journal and that Engrossed Senate Bill No. 2114 be amended as follows:

Page 1, line 1, after "reenact" insert "subsection 2 of section 50-01.2-00.1 and"

Page 1, line 2, after "to" insert "local expenses of administration and" and after "families" insert "; to authorize the department of human services to negotiate a pilot project for the state's participation in direct funding and administration of tribal temporary assistance to needy families; to provide for a legislative council study; and to provide for reports to the legislative council"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Subsection 2 of section 50-01.2-00.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. "Local expenses of administration" includes costs for personnel, space, equipment, computer software, ~~costs associated with achieving caseload ratios of sixty five cases to one worker,~~ materials, travel, utilities, and related costs, and the indirect costs properly allocated to those costs. The term does not include initial acquisition of computers and related hardware approved by the department for the training, education, employment, and management program, custom computer programs, custom software development, computer operations undertaken at the direction of the department, and computer processing costs to the extent those costs exceed, in any calendar year, that county's costs of operation of the technical eligibility computer system in calendar year 1995 increased by the increase in the consumer price index for all urban consumers (all items, United States city average) after January 1, 1996, or, unless agreed to by the county social service board, any costs related to pilot programs before the programs are implemented on a statewide basis."

Page 3, line 5, overstrike "Not exempt" and insert immediately thereafter "Consider exempting"

Page 3, line 9, replace "that is most appropriate" with "provided by job service North Dakota"

Page 4, after line 22, insert:

**"SECTION 3. LEGISLATIVE INTENT - DEPARTMENT TO NEGOTIATE PILOT PROJECT - REPORTS TO LEGISLATIVE COUNCIL.**

1. It is the legislative intent of the legislative assembly that the department of human services offer to negotiate with the tribal government of any Indian tribe in this state to establish a pilot project to begin operation no sooner than July 1, 2001, under which that tribal government will secure direct funding for the administration of a tribal family assistance grant under 42 U.S.C. 612 from the United States department of health and human services, and under which the state will participate, in cash or in kind, in



the cost of providing services under the tribal family assistance grant, provided:

- a. All components of the program are administered by the department of human services, one or more county social service boards, one or more contractors with the department of human services, or any combination thereof;
  - b. Interagency agreements entered into between the department of human services and other state or federal agencies, essential to the state's receipt of federal funds otherwise available under title IV-A, title IV-B, title IV-D, or title IV-E of the Social Security Act, will be honored by the tribe to the extent the department of human services requires the county social service boards to honor those agreements;
  - c. The annual funding contributed by the state may not exceed an amount calculated by dividing the nonfederal share of total state expenditures under title IV-A of the Social Security Act for the twelve-month period beginning October 1, 1993, and ending September 30, 1994, by the monthly average number of title IV-A filing units receiving title IV-A benefits in the state during that period, and multiplying the result times the number of IV-A filing units on April 1, 1999, with a primary information person who:
    - (1) Is an enrolled member of a tribe or is married to an enrolled member of a tribe who is also a member of that IV-A filing unit; and
    - (2) Lives in Indian country within a North Dakota county that also includes Indian reservation lands subject to the exclusive jurisdiction of the tribe;
  - d. The state's financial participation in the pilot project will be terminated upon breach of the negotiated agreement.
2. The department of human services shall periodically report to the legislative council, or to an interim study committee designated by the legislative council, on the progress of any negotiation conducted under subsection 1.
  3. An interim committee designated by the legislative council to receive reports under subsection 2 shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

**SECTION 4. LEGISLATIVE COUNCIL STUDY.** During the 1999-2000 interim, the legislative council shall consider studying the implementation of temporary assistance to needy families program in North Dakota, the effectiveness of that program to accomplish welfare reform, and the need for continuing legislative monitoring. The study may address the proportion of adults living in Indian country who are employed and the efforts of the department of human services to negotiate a pilot project under which the state would participate in the cost of providing services under a tribal family assistance grant.

**SECTION 5. REPORTS TO LEGISLATIVE COUNCIL - UNEMPLOYMENT IN INDIAN COUNTRY.** The department of human services shall periodically report to the legislative council, or an interim study committee designated by the legislative council,

on the progress in its efforts to determine the most reliable current data concerning the proportion of adults living in Indian country who are unemployed."

Renumber accordingly

Engrossed SB 2114 was placed on the Seventh order of business on the calendar.

**1999 TESTIMONY**

**SB 2114**

**SWAP FOLLOW-UP MEETING  
DEPARTMENT OF HUMAN SERVICES  
DECEMBER 9, 1998**

A meeting was convened by the Department of Human Services on December 9, 1998, to follow up on the issues for possible legislative action that had been identified at the September 30 meeting.

Attendees were as follows: Rep. Clara Sue Price, Rep. William Devlin, Rep. Robin Weisz, Rep. Merle Boucher, Rep. James Kerzman, Sen. Russell Thane, Mark Johnson, Chuck Gosen, Kathy Hogan, Michon Sax, Dan Richter, Betty Keegan, Clarence Daniel, Roger Redfield, Larry Bernhardt, Hjalmer Carlson, Erling Karlsbraaten, Debra McDermott, LeRoy Bollinger, Tove Mandigo, Brenda Weisz, Carol Olson, Yvonne Smith

**Summary of Discussion**

*issue #1: Address the financial impact of SWAP on the counties that contain reservation land*

- LeRoy Bollinger distributed handout information on the projected costs to the state of assuming financial responsibility for the administrative costs of serving the Indian caseload in the counties with reservation or trust land.
- Sen. Thane suggested that the issue of the impact of SWAP on reservation counties be brought to the legislature's attention.
- Mark Johnson stated that the Association of Counties will put the issue forward.
- Robin Weisz put forward the idea of reimbursing reservation counties based upon the number of enrolled members who receive Economic Assistance services.
- There was discussion regarding the availability of data upon which to base such reimbursement.
- Counties will work with Leroy to come up with the best caseload data we can. The deadline for legislators to introduce bills is January 18 in the House and January 25 in the Senate.

*Issue #2: Child Support computer costs should be included in the cap that was written into the legislation.*

- The legislators in attendance were of the understanding that the Department had agreed to include the Child Support computer costs in the cap.
- Based upon that understanding and the fact that there is no written record of the last minute agreements that were made regarding SWAP, Carol Olson agreed to consider including Child Support in the cap, and cover additional data processing costs related to FACES through the Department. She stressed that this has not been anticipated within the Department's budget request.
- Other issues of computer replacement and technology support were brought up. Betty Keegan suggested that a technology committee be established to address these and other emerging issues. Roger Hertz will organize a committee with representation from the county social services board directors, Association of Counties, and IMD.

*Issue #3: Remove the 65:1 caseload ratio requirement from the law or clarify that it is to be used as guideline rather than a mandate.*

- Agreed that the 65:1 caseload ratio should be amended to create a guideline rather than a mandate.

**TESTIMONY BEFORE THE  
SENATE HUMAN SERVICES COMMITTEE  
ON THE TEMPORARY ASSISTANCE  
FOR NEEDY FAMILIES (TANF) PROGRAM**



**OFFICE OF ECONOMIC ASSISTANCE**

**JANUARY 12, 1999**

TESTIMONY ON S.B. 2114  
BEFORE THE SENATE  
HUMAN SERVICES COMMITTEE  
JANUARY 13, 1999

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Chairman Thane and members of the Senate Human Services Committee, for the record, my name is Kevin Iverson, Director of the Training, Education, Employment and Management (TEEM) Division for the Department of Human Services. This testimony is intended to provide you with information regarding the suggested amendments to Subsection 1 of Section 50-09-29 of the North Dakota Century Code relating to the requirements for the Temporary Assistance for Needy Families (TANF) program, known as the TEEM Program in North Dakota. The suggested amendments are designed to provide additional flexibility in the operation of the program to benefit clients and to bring certain program rules in line with the Medicaid Program so that we can maintain the link between the two programs regarding client eligibility.

The first suggested change is under subdivision "c" of subsection 1 dealing with the hardship exemption from the TANF lifetime limit. Currently, the criteria identified for the hardship exemption, which is limited to 20% of the monthly caseload, is limited to the mental or physical disability of a parent or child or the mental or physical incapacity of a parent. Though we have not had any experience as yet with the hardship exemption (the 60-month lifetime limit will not affect most families for another 3-1/2 years), we continue to review case circumstances to understand those situations that would create the most hardship for families.

By substituting the word "hardship" for the specific language relating to the

disability or incapacity criteria, the Department would be able to consider other conditions which might warrant additional months on assistance for some families. The number of families allowed benefits beyond 60 months under TANF block grant funding would still be restricted to 20% of the monthly caseload according to the federal law.

The second amendment suggested pertains to subdivision “f” which identifies the asset limit for families applying for and receiving benefits under the TEEM Program. As the statute is written, we have interpreted that the asset limit will be set at five thousand dollars for one-person households and eight thousand dollars for households of two or more persons. We are asking for language that will allow the Department to set an asset limit that will not exceed the limits stated but will also allow the asset limits to be set at a lower value.

The reason for this request is that the current Medicaid asset limits are three thousand and six thousand dollars for households of one person and two or more, respectively. Federal law restricts States from increasing the TANF asset limits beyond the Medicaid limits or by the percentage of increase in the Consumer Price Index (CPI) if the State intend to use TANF eligibility to determine Medicaid eligibility. Currently, we have maintained the link by creating an arbitrary deduction from the countable assets of TEEM recipients to bring anyone who has more than the Medicaid limit down to the required value. At this time, we have not had any TEEM case which has come close to the Medicaid limits, much less the higher TEEM asset limit. The suggested change would allow us to bring the two programs together for this rule and provide for the flexibility to raise the asset limit should the Medicaid Program rules be revised.

It should be noted that this change will not affect the TEEM exemption of one motor vehicle for asset consideration which is the same as the Medicaid Program. This

particular rule has been widely accepted by the county social service offices as a tremendous help in simplifying the programs.

Though not offered as a suggested amendment, the committee may decide to reconsider subdivision "r" of subsection 1 which prohibits the exemption of funds in what are known as individual development accounts (IDAs). IDAs are allowed under federal law for the purpose of saving for purchase of a home, business or education and can be exempted from consideration as a countable asset. During the

subsequently prohibited under State law because the higher asset limits would make such procedures unnecessary. However, some States have used IDAs as a way to allow for families to build up their resources while staying within the Medicaid limits.

The final amendment is related to subdivision "s" of subsection 1. The suggested changes are twofold. First, the language relating to the sanction of parents who fail to ensure dependent minor children attend school could be eliminated. We propose to focus on both the parent and the child, if over age 16, under the JOBS Program. For children under age 16, the primary enforcement will be through the individual school districts. We have found this to be a more feasible approach especially from the perspective of local administration. In extreme cases, we would be able to consider language under the individual TEEM contracts with the client which would emphasize the parent's responsibility to keep their children in school. As of this date, we have had only a few parents penalized under this rule but have spent a great deal of time in trying to make the rules fit as part of the overall program. The change will improve program efficiency and eliminate the administrative problem.

The second part of the suggested change is the addition of language to address the determination of the unemployment rate within Indian country. As the committee may recall, there was considerable discussion during the last session as well as



during the interim regarding the methods of determining unemployment rates as it could affect the lifetime limit for adults residing within the area. The federal law requires States to exempt any adult from the lifetime limit if the unemployment rate within Indian country exceeds a minimum of 50% for any given month. However, the methodology used is left to the State which must determine which is most appropriate.

The language that was suggested in S.B. 2114 reflects the statistical method used for this purpose at the time the bill was filed by the Department and was valid up to last week. Governor Schafer has requested the Department to use the unemployment statistics provided by the Bureau of Indian Affairs (BIA) in light of the concerns raised by the Indian tribes, primarily the Turtle Mountain Band of Chippewa. The Turtle Mountain Tribal Council has, in fact, sent a tribal resolution to the Governor requesting the "TANF clock be stopped" because of the high unemployment on the reservation. The most recent BIA statistics indicate an unemployment rate of 57% on the Turtle Mountain reservation. We have requested the official document from the regional BIA office in Aberdeen, South Dakota, so we may consider the unemployment rate for all reservation areas in the State.

Though Governor Schafer has requested that BIA statistics be used, he has also asked the Department to continue reviewing the methods used to determine unemployment statistics and, through agreement, consider another method if it is more accurate and timely in establishing the unemployment rate. As a result of the recent events, we would suggest a change to the proposed amendment and ask that the words "provided by job service North Dakota" be replaced by "that is most appropriate."

It should be noted that even though adults in an area of Indian country may be exempt from the lifetime limit, the exemption does not apply to the federal work

requirements. Those individuals are still included in the State's work rate calculation and because of the limited job opportunities in the area, there is even more reason to emphasize the JOBS Program on the reservation. We are in the process of enhancing the JOBS Program and expanding the services that will be provided on the reservation as well as other parts of the State.

Mr. Chairman, this concludes the formal portion of my testimony. If there are any questions from the committee members, I will try to answer those at this time.

**TESTIMONY BEFORE THE  
HOUSE HUMAN SERVICES COMMITTEE  
ON S. B. #2114**



**TEMPORARY ASSISTANCE FOR  
NEEDY FAMILIES (TANF) PROGRAM  
OFFICE OF ECONOMIC ASSISTANCE  
FEBRUARY 24, 1999**

TESTIMONY ON S.B. 2114  
BEFORE THE HOUSE  
HUMAN SERVICES COMMITTEE  
FEBRUARY 24, 1999

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By adding the words "or other hardship" to the specific language relating to the

disability or incapacity criteria, the Department would be able to consider other conditions which might warrant additional months on assistance for some families. The number of families allowed benefits beyond 60 months under TANF block grant funding would still be restricted to 20% of the monthly caseload according to the federal law.

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The reason for this request is that the current Medicaid asset limits are three thousand and six thousand dollars for households of one person and two or more, respectively. Federal law restricts States from increasing the TANF asset limits beyond the Medicaid limits or by the percentage of increase in the Consumer Price Index (CPI) if the State intends to use TANF eligibility to determine Medicaid eligibility. Currently, we have maintained the link by creating an arbitrary deduction from the countable assets of TEEM recipients to bring anyone who has more than the Medicaid limit down to the required value. At this time, we have very few TEEM cases which come close to the Medicaid limits, much less the higher TEEM asset limit. The suggested change would allow us to bring the two programs together for this rule and provide for the flexibility to raise the asset limit should the Medicaid Program rules be revised.

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The final amendment is related to subdivision "s" of subsection 1. The suggested changes are twofold. First, the language relating to the sanction of parents who fail to ensure dependent minor children attend school would be eliminated. We propose to focus on both the parent and the child, if over age 16, under the JOBS Program. For children under age 16, the primary enforcement will be through the individual school districts. We have found this to be a more feasible approach especially from the perspective of local administration. In extreme cases, we would be able to consider language under the individual TEEM contract with each client which would emphasize the parent's responsibility to keep their children in school. As of this date, we have had few parents penalized under this rule but have spent a great deal of time in trying to make the rules fit as part of the overall program. The change will improve program efficiency and eliminate the administrative problem.

The second part of the suggested change is the addition of language to address the determination of the unemployment rate within Indian country. As the committee may recall, there was considerable discussion during the last session as well as during the interim regarding the methods of determining unemployment rates as it could affect the lifetime limit for adults residing within the area. The federal law requires States to exempt any adult from the lifetime limit if the unemployment rate within Indian country exceeds a minimum of 50% for any given month. However, the methodology used is left to the State which must determine which is most appropriate.

The language in the amendment would require the Department to use the statistical method which is most appropriate in determining the unemployment rate for Indian country within North Dakota. Governor Schafer has requested the Department to

use the unemployment statistics provided by the Bureau of Indian Affairs (BIA) in light of the concerns raised by the Indian tribes, primarily the Turtle Mountain Band of Chippewa. The Turtle Mountain Tribal Council has, in fact, sent a tribal resolution to the Governor requesting the "TANF clock be stopped" because of the high unemployment on the reservation. The most recent BIA statistics indicate an unemployment rate of 57% on the Turtle Mountain reservation. We have requested the official document from the regional BIA office in Aberdeen, South Dakota, as we would consider the BIA unemployment rate for all reservation areas in the State.

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procedures unnecessary. However, some States have used IDAs as a way to allow families to build up their resources while staying within the Medicaid limits. If the resource limits were lowered to match Medicaid, IDAs could be used to allow families a chance to save money while remaining eligible for assistance. If the committee were to remove the restriction by amending this bill, it will allow the flexibility to include IDAs in TEEM.

Madam Chairman, this concludes the formal portion of my testimony. If there are any questions from the committee members, I will try to answer those at this time. Thank you.



## REPORT ON UNEMPLOYMENT STATISTICS & METHODOLOGIES

### Summary of Unemployment Statistics - Provided by Job Service ND

The U.S. Department of Labor's Bureau of Labor Statistics (BLS) is responsible for preparing the unemployment rate estimates for the nation, the states, metropolitan statistical areas (MSAs) and all counties. The state and sub-state estimates are prepared for the BLS by each states Labor Market Information unit. The county level is the most detailed level available because of the reliance on administrative data, which is coded to the county level and the higher error rates in smaller areas.

The number of unemployed in an area is estimated starting with the number of individuals drawing unemployment benefits. To this count are added estimates of other segments of the unemployment pool including those who have exhausted benefits, new and re-entrants to the labor force and those whose previous work was in a job not covered by unemployment insurance (such as farm workers). These estimates are based on studies of relationships between the unemployed drawing benefits and those in the other sectors. There are some other steps, but in essence, this is the procedure done in every state.

The Department of Labor has a definition of unemployed that requires a individual to be able and willing to work and be actively seeking work. Individuals included in the determination of the unemployment rate are those over the age of 16 and who are actively seeking employment. For our purposes, the critical issue here is that the discouraged worker (one who is not actively seeking work, because of lack of jobs or not having the skills needed) is not included in the count of unemployed. This becomes a major issue in depressed urban areas as well as most Native American reservations.

A special Census funded jointly by North and South Dakota in the late 80's showed that unemployment on the Standing Rock Reservation was somewhat higher than our "official" estimates but significantly lower than the BIA estimates at that point.

### Summary of Unemployment Statistics - excerpts from "Indian Service Population and Labor Force Estimates", Bureau of Indian Affairs (BIA)

Data for the BIA report is collected from the tribes, household surveys, school records, employment records, tribal election statistics, tribal membership rolls, BIA program service records, and other sources. "Accuracy of the information varies due to the size of the geographic areas covered, isolation of many communities, and differing levels of cooperation among respondents. In all instances, data have been exhaustively checked and has been reviewed by the applicable Area Director and certified as to accuracy and appropriateness for publication." Most recent report available is dated 1995; however, a new report is expected shortly.

The "potential labor force" (column 7 on the attached summary) is comprised of all individuals

16 years or older, excluding those who are either students or otherwise unable to work.

Persons identified as unemployed may be either seeking work or not seeking work. Those not seeking work includes persons discouraged from seeking work, those who have no available work opportunities in the immediate area, or have no means of transportation to seek work elsewhere. These individuals are eliminated from the standard BLS (assume this to mean the Bureau of Labor Statistics) definitions of labor force and unemployed.

The “labor force” consists of persons employed or persons seeking work.

### Summary of State Activities Relating to Tribes

**SOUTH DAKOTA** - Jim Valness, Program Administrator, 605.773.3493

- SD is using BIA statistics; did not address the methodology or time difference from Dept. of Labor (DOL) statistics
- State policy emphasizes need to comply with work requirements; number of sanctions had not increased dramatically since implementation but expect numbers to increase because of renewed emphasis in certain areas
- Effective May 1998, benefits are reduced prorata for every hour the client does not meet the required number of work hours (\$5 per hour)
- Community work experience activities are primary placements in reservation areas
- SD has contracted with tribes for to hire tribal FTE's that administer the state program on the reservation

**MONTANA** - John Meredith, Program Administrator, 406.444.5685

- Montana also uses BIA statistics
- Of the 7 tribes in Montana, one is ready to move into TANF operation; TANF plan has been sent to HHS for approval. Tribe will not receive any state funds because the tribal TANF plan requests funds for 600+ individuals served in 1994 but less than 200 are on assistance today.
- State provides technical support to the tribe; tribes have also hired a “tribal transition specialist” with state funds (\$308,000 per year appropriated by legislature). These individuals serve as contacts for the state and also form advisory groups to discuss possible tribal TANF options.

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**WYOMING** - Ken Kaz, Program Specialist, 307.777.5841

- Wyoming has only two tribes (Arapaho and Shoshone) residing on the same reservation
- Arapaho have filed a TANF plan to serve their enrolled members; state supports the tribe with system and technical assistance
- State plans to let the other tribe determine the unemployment statistics that will be used for the TANF lifetime limit consideration; expect that the tribe will prefer the BIA statistics

**MINNESOTA** - Ann Sessoms, Director - Families with Children Division; Jim Olson, Tribal Support Specialist, 612.296.0978

- Minnesota first used BIA statistics for the unemployment rate; considered best available data at the time
- Recently switched to different methodology using a **census-share** model as developed by the Minnesota Department of Employment Security; recalculate every 6 months
- Change was made because of the high number of non-Indians in the affected areas (federal law requires exemption of all adults within affected area)
- Number of affected areas went from 5 down to 1 although another area previously not included was now affected (total of 2 areas affected within the state)
- Contact made with Employment Security to get more information on the census-share model

Prepared by:  
Kevin Iverson  
TEEM Division  
December 2, 1998

## TANF LIFETIME LIMIT - HARDSHIP EXCEPTION

The following are areas that could possibly be considered for a “hardship exception” to the TANF lifetime limit:

1. Lack of employment or underemployment of the adult in the TANF family
  - If the adult has cooperated in meeting all TANF requirements including participation in work activities but is unable to find employment, the State may choose to extend benefits beyond 60 months.
  - This extension could be for a reduced benefit intended to provide for the basic needs of the children in the household.
  - A variation of this exception would allow additional months on assistance for those who are employed but are earning a minimum salary. Some states have allowed employed recipients to “buy back” some of their TANF months.
2. Allow older caretakers to continue receiving assistance beyond 60 months
  - If the parent or caretaker of the dependent child is 60 years of age, allow additional months on assistance.
3. Allow individuals who require medical or professional assistance to continue receiving TANF assistance
  - An individual who meets the TANF requirements but is in need of medical or professional help due to a substance abuse problem or domestic violence.
4. Provide assistance to individuals whose capacity to support their family or themselves is in question
  - This could include those individuals whose physical or mental capacity is not considered a disability or incapacity but their ability to be self-sufficient is borderline.
5. Consideration of other factors that might limit the ability of the household to be self-sufficient
  - Other considerations might be adults who are caring for children under the age of 12 months, those who are not receiving child support assistance from the absent parent, or those who are unable to find work because of a lack of child care or adequate transportation.

**Another suggestion would be to require a further review of each TANF/TEEM case that**

has received assistance for a specified number of months in order to determine why the family is still receiving assistance, the barriers they are facing, and what action should be taken to help the family. The suggestion would be to perform this “concentrated” assessment when the family has approximately 12 months remaining before reaching the lifetime limit.

## INDIVIDUAL DEVELOPMENT ACCOUNTS (IDAs)

General: States may use the TANF block grant to carry out a program to fund IDAs.

Qualified Purpose: IDAs may be established for individuals for qualified purposes; a qualified purpose may include a) payment of expenses for postsecondary education, b) acquisition costs with respect to a qualified principal residence for a qualified first-time homebuyer, or c) payments to a business capitalization account established in a federally insured financial institution to be used solely for qualified business capitalization expenses.

Contributions: Contributions to an IDA must be from earned income as defined by the Internal Revenue Service (Section 911(d)(2) of the Internal Revenue Code of 1986).

Withdrawal of Funds: Regulations will be established by HHS to ensure the IDA funds are withdrawn only for the qualified purpose(s). States may do the following to prevent misuse of IDA funds: a) count withdrawals as earned income; b) count withdrawals as resources; or c) take other steps as established in the State plan to deter inappropriate use.

Requirements: IDAs shall be a trust and funded through contributions from the individual and matched by or through a qualified entity (a non-profit organization or a state or local government agency).

No reduction of benefits: IDAs cannot be counted for purposes of determining eligibility or benefits.

Definitions: Definitions used for administration of IDAs are listed under federal law. A copy of the proposed federal rules, which include the definitions is attached.

Prepared by:  
Kevin Iverson  
TEEM Division  
February 25, 1999

### Subpart B—What Rules Apply to the Use of Federal Funds?

#### § 273.10 What actions are to be taken against a State if it uses Federal TANF funds in violation of the Act?

(a) If a State misuses such funds, we will reduce the SFAG payable for the immediately succeeding fiscal year quarter by the amount misused.

(b) If we determine that the misuse was intentional, we will reduce the SFAG payable for the immediately succeeding fiscal year quarter in an amount equal to five percent of the adjusted SFAG.

(c) The reasonable cause and corrective compliance provisions of §§ 272.4 through 272.6 of this chapter apply to penalties under paragraphs (a) and (b) of this section.

#### § 273.11 What uses of Federal TANF funds are improper?

(a) States may use Federal TANF funds for expenditures that:

(1) Are reasonably related to the purposes of TANF, as specified at § 270.20 of this chapter; or

(2) The State was authorized to use IV-A or IV-F funds under prior law, as in effect on September 30, 1995, or (at the option of the State) August 21, 1996.

(b) We will consider use of funds in violation of paragraph (a) of this section, the provisions of the Act, section 115 of PRWORA, the provisions of part 92 of this title, or OMB Circular A-87 to be misuse of funds.

#### § 273.12 How will we determine if a State intentionally misused Federal TANF funds?

(a) The State must show, to our satisfaction, that it used the funds for purposes that a reasonable person would consider to be within the purposes of the TANF program (as specified at § 270.20 of this chapter) and the provisions listed in § 273.11.

(b) We will consider funds to be misused intentionally if there is supporting documentation, such as Federal guidance or policy instructions, indicating that Federal TANF funds could not be used for that purpose.

(c) We will also consider funds to be misused intentionally if, after notification that we have determined such use to be improper, the State continues to use the funds in the same or similarly improper manner.

#### § 273.13 What types of activities are subject to the administrative cost limit on Federal TANF grants?

(a) Activities that fall within the definition of "administrative costs" at § 273.0(b) are subject to this limit.

(b) Information technology and computerization for tracking and

monitoring are not administrative costs for this purpose.

### Subpart C—What Rules Apply to Individual Development Accounts?

#### § 273.20 What definitions apply to Individual Development Accounts (IDAs)?

The following definitions apply with respect to IDAs:

*Date of acquisition* means the date on which a binding contract to obtain, construct, or reconstruct the new principal residence is entered into.

*Eligible educational institution* means an institution described in section 481(a)(1) or section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1) or 1141(a)), as such sections were in effect on August 21, 1996. Also, an area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4)) that is in any State (as defined in section 521(33) of such Act), as such sections were in effect on August 22, 1996.

*Individual Development Account (IDA)* means an account established by or for an individual who is eligible for TANF assistance to allow the individual to accumulate funds for specific purposes.

*Post-secondary educational expenses* means a student's tuition and fees required for the enrollment or attendance at an eligible educational institution, and required course fees, books, supplies, and equipment required at an eligible educational institution.

*Qualified acquisition costs* means the cost of obtaining, constructing, or reconstructing a residence. The term includes any usual or reasonable settlement, financing, or other closing costs.

*Qualified business* means any business that does not contravene State law or public policy.

*Qualified business capitalization expenses* means business expenses pursuant to a qualified plan.

*Qualified entity* means a non-profit, tax-exempt organization, or a State or local government agency that works cooperatively with a non-profit, tax-exempt organization.

*Qualified expenditures* means expenses entailed in a qualified plan, including capital, plant equipment, working capital, and inventory expenses.

*Qualified first-time home buyer* means a taxpayer (and, if married, the taxpayer's spouse) who has not owned a principal residence during the three-year period ending on the date of

acquisition of the new principal residence.

*Qualified plan* means a business plan that is approved by a financial institution, or by a nonprofit loan fund having demonstrated fiduciary integrity. It includes a description of services or goods to be sold, a marketing plan, and projected financial statements, and it may require the eligible recipient to obtain the assistance of an experienced entrepreneurial advisor.

*Qualified principal residence* means the place a qualified first-time home buyer will reside in in accordance with the meaning of section 1034 of the Internal Revenue Code of 1986 (26 U.S.C. 1034). The qualified acquisition cost of the residence cannot exceed the average purchase price of similar residences in the area.

#### § 273.21 May a State use the TANF grant to fund IDAs?

States may use TANF grants to fund IDAs for individuals who are eligible for TANF assistance.

#### § 273.22 Are there any restrictions on IDA funds?

(a) A recipient may deposit only earned income into an IDA.

(b) A recipient's contributions to an IDA may be matched only by a qualified entity.

(c) A recipient may withdraw funds only for the following reasons:

(1) To cover post-secondary education expenses, if the amount is paid directly to an eligible educational institution;

(2) For the recipient to purchase a first home, if the amount is paid directly to the person to whom the amounts are due and it is a qualified acquisition cost for a qualified principal residence by a qualified first-time home buyer; or

(3) For business capitalization, if the amounts are paid directly to a business capitalization account in a federally-insured financial institution and used for a qualified business capitalization expense.

#### § 273.23 How does a State prevent a recipient from using the IDA account for unqualified purposes?

To prevent recipients from using the IDA account improperly, States may do the following:

(a) Count withdrawals as earned income in the month of withdrawal (unless already counted as income);

(b) Count withdrawals as resources in determining eligibility; or

(c) Take such other steps as the State has established in its State plan or written State policies to deter inappropriate use.





**Indian Service Population and Labor Force Estimates**  
**U. S. Department of the Interior**  
**Bureau of Indian Affairs**

**Purpose**

The purpose of this report is to provide estimates of the service population of the Bureau of Indian Affairs (BIA) and the population's labor force status in calendar year 1995. This report supplies estimated information related to the labor force itself. It does not provide other combinations of data or conclusions other than those represented on these pages.

**Definitions and Coverage**

The total Indian population of the United States, as reported in the 1990 United States census, was 1,937,391. The population estimate of the U. S. Census Bureau is based on self-reporting and includes American Indians, Eskimos and Aleuts who reside on or adjacent to reservations or off reservations in urban areas.

The data contained in this report provide the labor force status of the 1,260,206 Indians residing on or adjacent to Indian reservations governed by Federally recognized tribes. The data contained in this report are confined to the population and the labor force status of persons who are members of Indian tribes or who are one-fourth degree or more of blood quantum descendants of a member of any tribe, band, nation, rancheria, colony, pueblo, or community, including Alaska Native villages or regional village corporations defined in or established pursuant to the Alaska Native Claims Settlement Act. Therefore, this report does not provide the labor force status of Indians who reside in urban areas or rural areas not adjacent to reservations or who are not members of an Indian tribe or at least one-fourth blood quantum descendants.

The "BIA Total" which appears in column (1) basically includes: "... all Indians living on or near reservations." By contrast, tribal enrollment reflects the: "... total membership count as maintained by the individual tribes according to their specific rules of membership." Tribal members may not necessarily be living on or adjacent to the reservation.



## Study Methodology

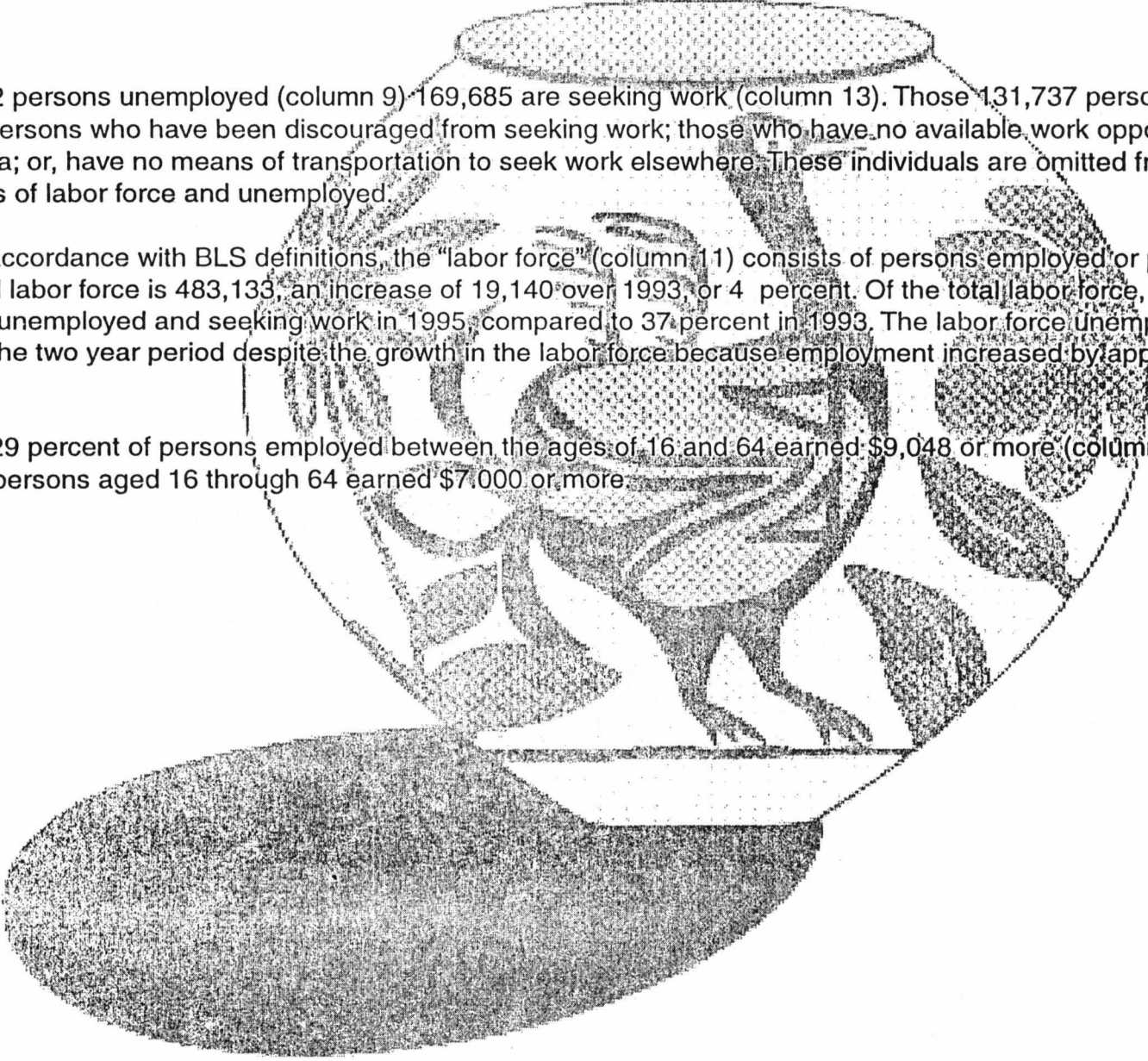
Local BIA agencies collected data from tribes, household surveys, school records, employment records, tribal election statistics, tribal membership rolls, BIA program service records, and other sources. Accuracy of information varies due to the size of the geographic areas covered, isolation of many communities, and differing levels of cooperation among respondents. In the majority of cases, data are estimated and not representative of an actual count. In all instances, data have been exhaustively checked and has been reviewed by the applicable Area Director and certified as to accuracy and appropriateness for publication. Any discrepancies will be covered in an errata list if such should be necessary. In those cases where no new data were obtained, 1993 or 1991 data are used, as reported in the 1993 publication of this report, and are identified by footnote. Although there is no specific data for the three Creek towns, this material is contained in the information for the Muskogee Creek Nation under the Okmulgee Agency. The United Keetoowah and Delaware data is contained in the material for the Cherokee Nation under the Tahlequah Agency.

## Labor Force Report Format

The population and labor force data are shown in considerable detail in the accompanying table and are identified by tribe, state, and servicing BIA organizational elements, i.e., area offices, agencies, and other components.

## Summary

The "potential labor force" (column 7) is comprised of all individuals 16 years or older, excluding those who are either students or otherwise unable to work. Thus, the total potential work force was comprised of 616,182 individuals in 1995. This is an increase in the total potential labor force of 66,438 or 12 percent since 1993 when this report was last published (please note certain 1993 data have been perfected). Of the total potential labor force, 49 percent of persons were unemployed in 1995 compared to 46 percent in 1993. The total potential labor force unemployment rate increased 3 percentage points in the two year period.



Of the 301,422 persons unemployed (column 9) 169,685 are seeking work (column 13). Those 131,737 persons not seeking work include persons who have been discouraged from seeking work; those who have no available work opportunities in the immediate area; or, have no means of transportation to seek work elsewhere. These individuals are omitted from the standard BLS definitions of labor force and unemployed.

Therefore, in accordance with BLS definitions, the "labor force" (column 11) consists of persons employed or persons seeking work. The total labor force is 483,133, an increase of 19,140 over 1993, or 4 percent. Of the total labor force, 35 percent of persons were unemployed and seeking work in 1995, compared to 37 percent in 1993. The labor force unemployment rate decreased over the two year period despite the growth in the labor force because employment increased by approximately 6 percent.

In 1995, only 29 percent of persons employed between the ages of 16 and 64 earned \$9,048 or more (column 16). In 1993, only 27 percent of persons aged 16 through 64 earned \$7,000 or more.

**Local Estimates of Resident Indian Population and Labor Force Status  
Male/Female Indians Living on and Adjacent to Reservations  
Summary by Reservation**

Reservation	BIA Total (1)	Years of Age			Unable to Work		Total Potential Labor Force [3+4-5-6] (7)	Potential Labor Force			Total Labor Force [12+13] (11)	Labor Force			Earn \$9,048 or More		Tribal Enrollment	
		Under 16 (2)	16-64 (3)	Over 64 (4)	Student (5)	Other (6)		Total Employed (8)	Total Not Employed (9)	% Not Employed [9/7] (10)		Total Employed (12)	Total Seeking Work (13)	% Unemployed [13/11] (14)	Total (15)	% of age 16-64 (16)		
<b>ABERDEEN</b>																		
Cheyenne River Agency Cheyenne River Reservation	SD	11,813	3,806	7,681	326	341	1,150	6,516	1,447	5,069	78%	6,274	1,447	4,827	77%	1,182	15%	11,825
Crow Creek Agency Crow Creek Reservation	SD	3,002	1,359	1,502	141	154	404	1,085	427	658	61%	830	427	403	49%	282	19%	3,507
Flandreau Sante Sioux Flandreau Reservation	SD	1,828	527	1,269	32	47	0	1,254	269	985	79%	269	269	0	0%	203	16%	696
Fort Berthold Agency Ft. Berthold Reservation	ND	5,100	2,024	2,901	175	317	212	2,547	1,459	1,088	43%	1,671	1,459	212	13%	1,133	39%	10,500
Fort Totten Agency Ft. Totten Reservation	ND	5,151	2,420	2,623	108	70	115	2,546	629	1,917	75%	1,517	629	888	59%	NR	0%	4,500
Lower Brule Agency Lower Brule Reservation	ND	1,164	520	602	42	75	89	480	376	104	22%	384	376	8	2%	316	52%	2,107
Pine Ridge Agency Pine Ridge Reservation	SD	38,426	13,519	23,078	1,829	2,096	3,825	18,986	4,965	14,021	74%	9,130	4,965	4,165	46%	4,771	21%	37,626
Rosebud Agency Rosebud Reservation	SD	24,217	6,182	18,035	NR	745	1,173	16,117	837	15,280	95%	1,519	837	682	45%	703	4%	30,175
Sisseton Agency Sisseton Reservation	SD	3,277	1,113	1,969	195	304	475	1,385	803	582	42%	983	803	180	18%	747	38%	9,929
Standing Rock Agency Standing Rock Reservation	ND	3,280	933	2,100	247	198	544	1,605	384	1,221	76%	544	384	160	29%	188	9%	4,857
Standing Rock Reservation	SD	4,918	1,399	3,149	370	298	817	2,404	574	1,830	76%	815	574	241	30%	282	9%	7,287
Turtle Mountain Agency Trenton Field Office	MT	342	137	178	27	45	29	131	65	66	50%	115	65	50	43%	49	28%	342
Trenton Field Office	ND	1,443	581	754	108	190	120	552	276	276	50%	483	276	207	43%	248	33%	1,443
Turtle Mtn. Reservation	ND	10,543	3,168	6,843	532	777	400	6,198	2,533	3,665	59%	4,589	2,533	2,056	45%	1,542	23%	26,311
Winnebago Agency Omaha Reservation	NE	5,012	1,471	3,003	538	367	461	2,713	883	1,830	67%	1,185	883	302	25%	585	19%	5,012
Santee Sioux Reservation*	NE	603	227	341	35	35	47	294	76	218	74%	294	76	218	74%	46	13%	0
Winnebago Reservation	NE	1,212	447	693	72	78	136	551	321	230	42%	372	321	51	14%	264	38%	3,795
Yankton Agency Yankton Reservation	SD	6,528	1,763	4,317	448	179	498	4,088	631	3,457	85%	1,021	631	390	38%	348	8%	6,810
Ponca Tribe of Nebraska	SD	19	4	12	3	5	4	6	4	2	33%	5	4	1	20%	3	25%	NR
Ponca Tribe of Nebraska	NE	534	213	300	21	120	34	167	110	57	34%	121	110	11	9%	66	22%	NR
<b>TOTAL ABERDEEN</b>		<b>128,412</b>	<b>41,813</b>	<b>81,350</b>	<b>5,249</b>	<b>6,441</b>	<b>10,533</b>	<b>69,625</b>	<b>17,069</b>	<b>52,556</b>	<b>75%</b>	<b>32,121</b>	<b>17,069</b>	<b>15,052</b>	<b>47%</b>	<b>12,958</b>	<b>18%</b>	<b>166,722</b>

**Local Estimates of Resident Indian Population and Labor Force Status  
Male/Female Indians Living on and Adjacent to Reservations  
Summary by Reservation**

Reservation	BIA Total	Years of Age			Unable to Work		Total Potential Labor Force [3+4-5-6] (7)	Potential Labor Force			Total Labor Force [12+13] (11)	Labor Force			Earn \$9,048 or More		vs Tribal Enrollment
		Under 16 (2)	16-64 (3)	Over 64 (4)	Student (5)	Other (6)		Total Employed (8)	Total Not Employed (9)	% Not Employed [9/7] (10)		Total Employed (12)	Total Seeking Work (13)	% Unemployed [13/11] (14)	Total (15)	% of age 16-64 (16)	
		(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		(9)	(10)	(11)	(12)	(13)	
ABERDEEN	128,412	41,813	81,350	5,249	6,441	10,533	69,625	17,069	52,556	75%	32,121	17,069	15,052	47%	12,958	16%	166,722
ALBUQUERQUE	59,598	18,688	36,969	3,981	4,708	4,387	28,812	15,114	13,498	47%	20,247	15,114	5,133	25%	10,915	30%	58,143
ANADARKO	45,535	18,224	24,630	2,681	3,565	3,266	31,383	18,849	12,311	39%	29,276	18,849	10,427	36%	10,584	43%	86,197
BILLINGS	42,427	15,943	24,446	2,038	2,434	4,551	19,489	8,861	11,563	59%	17,962	8,861	9,101	51%	5,754	24%	60,018
EASTERN	50,272	16,187	30,256	3,829	2,968	3,201	27,916	13,174	10,408	37%	18,120	13,174	4,946	27%	7,972	26%	43,106
JUNEAU	85,259	28,040	29,564	2,854	1,706	1,746	28,966	13,086	16,547	57%	33,091	13,086	20,005	60%	7,741	26%	63,278
MINNEAPOLIS	76,883	23,963	47,180	5,138	5,131	7,031	40,156	23,240	16,916	42%	33,126	23,240	9,886	30%	17,646	37%	138,218
MUSKOGEE	284,740	91,426	165,599	27,715	27,458	25,628	140,228	95,464	44,764	32%	117,162	95,464	21,698	19%	62,433	38%	384,075
NAVAJO	225,668	87,736	124,421	13,511	18,950	17,740	101,242	48,514	52,416	52%	84,090	48,514	35,576	42%	32,990	27%	206,364
PHOENIX	100,854	33,366	61,902	5,635	6,798	10,642	50,097	21,711	28,171	56%	36,702	21,711	12,013	33%	16,538	27%	107,510
PORTLAND	104,841	37,951	60,657	6,233	9,395	6,943	50,567	22,084	28,498	56%	38,933	22,084	16,849	43%	15,896	26%	77,471
SACRAMENTO	55,717	16,284	34,821	4,612	4,190	7,792	27,701	13,304	13,774	50%	22,303	13,304	8,999	40%	8,249	24%	37,168
<b>GRAND TOTALS</b>	<b>1,260,208</b>	<b>429,601</b>	<b>721,795</b>	<b>83,456</b>	<b>93,744</b>	<b>103,460</b>	<b>616,182</b>	<b>310,470</b>	<b>301,422</b>	<b>49%</b>	<b>483,133</b>	<b>310,470</b>	<b>169,695</b>	<b>35%</b>	<b>209,676</b>	<b>29%</b>	<b>1,428,270</b>

Footnote: \* 1991 Data  
 \*\* 1993 Data  
 \*\*\* No Report Submitted

## DECEMBER HIGHLIGHTS

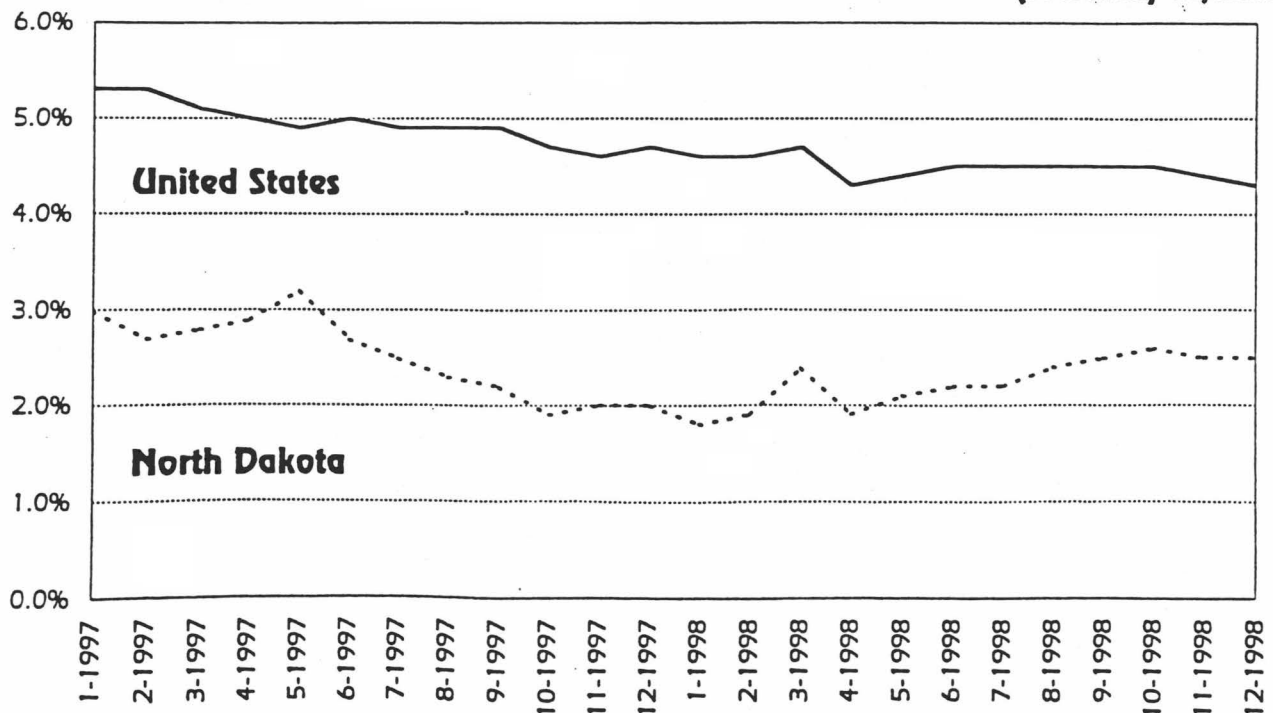
North Dakota's unemployment rate for December 1998 was 2.7%. This compared to the December 1997 rate of 2.2%, which was the lowest December rate since 1957. The highest December unemployment rate was recorded in 1961, when it reached 7.4%. Showing a normal seasonal pattern, the December 1998 unemployment rate was up from the revised November rate of 2.3%. The national unemployment rate for December was 4.3%.

The labor force in December was 337,810 with 328,740 employed and 9,070 unemployed. The November labor force was 340,210 with 332,280 employed and 7,930 unemployed. The December 1997 labor force was 339,430 with 332,090 employed and 7,340 unemployed. December nonfarm employment estimates show that there were 1,700 more wage and salary jobs than at the same time a year ago. Compared to December 1996, nonfarm wage and salary employment increased by 6,850.

Nonfarm wage and salary employment totaled 319,550 in December, 320,400 in November, 317,850 a year ago, and 312,700 in December 1996. Nonagricultural wage and salary employment was up over the year in six of the nine industries. The largest gain was in finance, insurance, and real estate (4.6%). Construction was second with an increase of 3.0% and government third at 1.0%. The finance, insurance, and real estate industry and the government industry each added 700 employees for the largest numeric growth over the year. Other employment increases were noted in transportation, communications, and utilities (0.8%); services (0.5%); and manufacturing (0.2%). The largest decrease was noted in the mining industry (-4.9%). Retail trade was down -0.8% and wholesale trade -0.2% from December 1997.

When compared to the previous month, four industries had employment increases. Retail trade increased by 0.9%, government was up 0.6%, while the wholesale trade and the transportation, communications, and utilities industries each gained 0.5%. Construction, following a normal seasonal trend, had the largest decrease (-6.7%). Employment in mining was down -3.7%, followed by manufacturing (-1.5%), and services (-0.6%). The finance, insurance, and real estate industry was unchanged over the month.

## United States & North Dakota Unemployment Rates (seasonally adjusted)



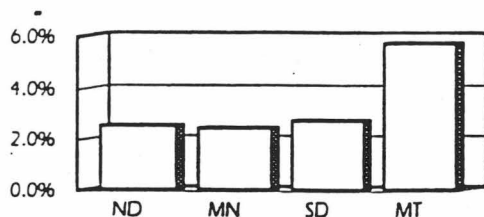


# LABOR FORCE

	CURRENT MONTH	PREVIOUS MONTH	% CHANGE FROM	ONE YEAR AGO	% CHANGE FROM
Benchmark 1997-1	December 1998	November 1998	November 1998	December 1997	December 1997
<b>UNITED STATES - SA*</b>					
(In thousands)					
Labor Force	138,547	138,193	0.3%	137,086	1.1%
Employment	132,526	132,113	0.3%	130,638	1.4%
Unemployment	6,021	6,080	-1.0%	6,448	-6.6%
Unemployment Rate	4.3%	4.4%	xxx	4.7%	xxx
<b>NORTH DAKOTA</b>					
Labor Force	337,810	340,210	-0.7%	339,430	-0.5%
Employment	328,740	332,280	-1.1%	332,090	-1.0%
Unemployment	9,070	7,930	14.4%	7,340	23.6%
Unemployment Rate	2.7%	2.3%	xxx	2.2%	xxx
<b>NORTH DAKOTA - SA*</b>					
Labor Force	344,430	345,040	-0.2%	346,100	-0.5%
Employment	335,710	336,310	-0.2%	339,080	-1.0%
Unemployment	8,720	8,730	-0.1%	7,020	24.2%
Unemployment Rate	2.5%	2.5%	xxx	2.0%	xxx
<b>BISMARCK MSA</b>					
Labor Force	52,750	52,900	-0.3%	52,730	0.0%
Employment	51,480	51,700	-0.4%	51,560	-0.2%
Unemployment	1,270	1,200	5.8%	1,170	8.5%
Unemployment Rate	2.4%	2.3%	xxx	2.2%	xxx
<b>FARGO MOORHEAD MSA</b>					
Labor Force	102,490	103,040	-0.5%	102,910	-0.4%
Employment	100,900	101,830	-0.9%	101,420	-0.5%
Unemployment	1,590	1,210	31.4%	1,490	6.7%
Unemployment Rate	1.5%	1.2%	xxx	1.5%	xxx
<b>GRAND FORKS MSA</b>					
Labor Force	52,910	53,400	-0.9%	53,520	-1.1%
Employment	51,720	52,430	-1.4%	52,280	-1.1%
Unemployment	1,190	970	22.7%	1,240	-4.0%
Unemployment Rate	2.2%	1.8%	xxx	2.3%	xxx

\*SA - Seasonally Adjusted

The Bismarck Metropolitan Statistical Area (MSA) includes Burleigh and Morton Counties  
 The Fargo Moorhead MSA includes Cass County, North Dakota, and Clay County, Minnesota  
 The Grand Forks MSA includes Grand Forks County, North Dakota, and Polk County, Minnesota



## Bordering State Labor Force Comparisons Seasonally Adjusted

(In Thousands)  
November 1998

	NORTH DAKOTA	MINNESOTA	SOUTH DAKOTA	MONTANA
Labor Force	345.0	2,702.3	403.9	468.7
Employment	336.3	2,636.7	393.1	442.2
Unemployment	8.7	65.6	10.8	26.5
Unemployment Rate	2.5%	2.4%	2.7%	5.7%

NOTE: Due to changes in the labor force estimation process incorporated in January 1995, comparisons with earlier estimates are not advisable.

# LABOR FORCE

## By County - By Region

Benchmark	LABOR FORCE			EMPLOYMENT			UNEMPLOYMENT			RATE		
	Dec 1997-1	Nov 1998	Dec 1997	Dec 1998	Nov 1998	Dec 1997	Dec 1998	Nov 1998	Dec 1997	Dec 1998	Nov 1998	Dec 1997
Divide	1,084	1,095	1,102	1,061	1,077	1,088	23	18	14	2.1%	1.6%	1.3%
McKenzie	2,977	3,040	3,044	2,881	2,949	2,965	96	91	79	3.2%	3.0%	2.6%
Williams	9,663	9,646	9,839	9,229	9,226	9,627	434	420	212	4.5%	4.4%	2.2%
<b>Region 1</b>	<b>13,724</b>	<b>13,781</b>	<b>13,985</b>	<b>13,171</b>	<b>13,252</b>	<b>13,680</b>	<b>553</b>	<b>529</b>	<b>305</b>	<b>4.0%</b>	<b>3.8%</b>	<b>2.2%</b>
Bottineau	3,508	3,502	3,428	3,393	3,405	3,349	115	97	79	3.3%	2.8%	2.3%
Burke	1,127	1,136	1,097	1,100	1,107	1,071	27	29	26	2.4%	2.6%	2.4%
McHenry	2,858	2,812	2,844	2,716	2,736	2,728	142	76	116	5.0%	2.7%	4.1%
Mountrail	3,226	3,233	3,022	3,037	3,080	2,927	189	153	95	5.9%	4.7%	3.1%
Pierce	2,421	2,441	2,404	2,358	2,390	2,349	63	51	55	2.6%	2.1%	2.3%
Renville	1,371	1,371	1,369	1,343	1,353	1,349	28	18	20	2.0%	1.3%	1.5%
Ward	29,328	29,415	29,246	28,507	28,722	28,636	821	693	610	2.8%	2.4%	2.1%
<b>Region 2</b>	<b>43,839</b>	<b>43,910</b>	<b>43,410</b>	<b>42,454</b>	<b>42,793</b>	<b>42,409</b>	<b>1,385</b>	<b>1,117</b>	<b>1,001</b>	<b>3.2%</b>	<b>2.5%</b>	<b>2.3%</b>
Benson	2,751	2,742	2,785	2,573	2,561	2,629	178	181	156	6.5%	6.6%	5.6%
Cavalier	2,331	2,350	2,370	2,273	2,303	2,316	58	47	54	2.5%	2.0%	2.3%
Eddy	1,209	1,267	1,207	1,142	1,214	1,148	67	53	59	5.5%	4.2%	4.9%
Ramsey	6,502	6,581	6,509	6,328	6,431	6,371	174	150	138	2.7%	2.3%	2.1%
Rolette	5,269	5,229	5,448	4,699	4,749	5,052	570	480	396	10.8%	9.2%	7.3%
Towner	1,394	1,427	1,437	1,360	1,386	1,407	34	41	30	2.4%	2.9%	2.1%
<b>Region 3</b>	<b>19,456</b>	<b>19,596</b>	<b>19,756</b>	<b>18,375</b>	<b>18,644</b>	<b>18,923</b>	<b>1,081</b>	<b>952</b>	<b>833</b>	<b>5.6%</b>	<b>4.9%</b>	<b>4.2%</b>
Grand Forks	36,655	36,918	37,093	35,924	36,356	36,486	731	562	607	2.0%	1.5%	1.6%
Nelson	1,359	1,410	1,461	1,296	1,369	1,400	63	41	61	4.6%	2.9%	4.2%
Pembina	4,690	4,714	4,754	4,464	4,512	4,533	226	202	221	4.8%	4.3%	4.6%
Walsh	5,560	5,694	5,852	5,375	5,540	5,670	185	154	182	3.3%	2.7%	3.1%
<b>Region 4</b>	<b>48,264</b>	<b>48,736</b>	<b>49,160</b>	<b>47,059</b>	<b>47,777</b>	<b>48,089</b>	<b>1,205</b>	<b>959</b>	<b>1,071</b>	<b>2.5%</b>	<b>2.0%</b>	<b>2.2%</b>
Cass	71,990	72,306	72,480	70,989	71,522	71,682	1,001	784	798	1.4%	1.1%	1.1%
Ransom	2,713	2,718	2,749	2,666	2,674	2,703	47	44	46	1.7%	1.6%	1.7%
Richland	9,357	9,251	9,470	9,164	9,056	9,318	193	195	152	2.1%	2.1%	1.6%
Sargent	2,166	2,214	2,182	2,127	2,175	2,153	39	39	29	1.8%	1.8%	1.3%
Steele	1,057	1,093	1,042	1,044	1,069	1,030	13	24	12	1.2%	2.2%	1.2%
Trails	4,156	4,113	4,087	4,067	4,037	4,001	89	76	86	2.1%	1.8%	2.1%
<b>Region 5</b>	<b>91,439</b>	<b>91,695</b>	<b>92,010</b>	<b>90,057</b>	<b>90,533</b>	<b>90,887</b>	<b>1,382</b>	<b>1,162</b>	<b>1,123</b>	<b>1.5%</b>	<b>1.3%</b>	<b>1.2%</b>

# LABOR FORCE

## By County - By Region

Benchmark	LABOR FORCE			EMPLOYMENT			UNEMPLOYMENT			RATE		
	Dec 1998	Nov 1998	Dec 1997	Dec 1998	Nov 1998	Dec 1997	Dec 1998	Nov 1998	Dec 1997	Dec 1998	Nov 1998	Dec 1997
<b>1997-1</b>												
Barnes	5,858	5,884	5,769	5,715	5,766	5,668	143	118	101	2.4%	2.0%	1.8%
Dickey	2,695	2,740	2,699	2,661	2,702	2,659	34	38	40	1.3%	1.4%	1.5%
Foster	2,083	2,152	2,071	2,037	2,108	2,031	46	44	40	2.2%	2.0%	1.9%
Griggs	1,571	1,598	1,549	1,536	1,568	1,534	35	30	15	2.2%	1.9%	1.0%
LaMoure	2,222	2,245	2,219	2,175	2,200	2,176	47	45	43	2.1%	2.0%	1.9%
Logan	1,023	1,050	1,081	1,008	1,036	1,060	15	14	21	1.5%	1.3%	1.9%
McIntosh	1,651	1,708	1,674	1,615	1,661	1,639	36	47	35	2.2%	2.8%	2.1%
Stutsman	11,995	12,097	11,826	11,748	11,889	11,617	247	208	209	2.1%	1.7%	1.8%
Wells	2,391	2,398	2,411	2,318	2,327	2,329	73	71	82	3.1%	3.0%	3.4%
<b>Region 6</b>	<b>31,489</b>	<b>31,872</b>	<b>31,299</b>	<b>30,813</b>	<b>31,257</b>	<b>30,713</b>	<b>676</b>	<b>615</b>	<b>586</b>	<b>2.1%</b>	<b>1.9%</b>	<b>1.9%</b>
Burleigh	39,157	39,271	39,136	38,319	38,482	38,377	838	789	759	2.1%	2.0%	1.9%
Emmons	2,220	2,196	2,124	2,140	2,136	2,058	80	60	66	3.6%	2.7%	3.1%
Grant	1,290	1,318	1,370	1,246	1,274	1,340	44	44	30	3.4%	3.3%	2.2%
Kidder	1,190	1,204	1,264	1,129	1,160	1,217	61	44	47	5.1%	3.7%	3.7%
McLean	4,137	4,134	4,261	3,896	3,932	4,031	241	202	230	5.8%	4.9%	5.4%
Mercer	3,990	4,251	4,425	3,707	3,982	4,114	283	269	311	7.1%	6.3%	7.0%
Morton	13,598	13,624	13,589	13,162	13,218	13,182	436	406	407	3.2%	3.0%	3.0%
Oliver	990	1,042	1,016	944	1,000	970	46	42	46	4.6%	4.0%	4.5%
Sheridan	702	760	641	656	718	627	46	42	14	6.6%	5.5%	2.2%
Sioux	1,591	1,616	1,617	1,526	1,548	1,540	65	68	77	4.1%	4.2%	4.8%
<b>Region 7</b>	<b>68,865</b>	<b>69,416</b>	<b>69,443</b>	<b>66,725</b>	<b>67,450</b>	<b>67,456</b>	<b>2,140</b>	<b>1,966</b>	<b>1,987</b>	<b>3.1%</b>	<b>2.8%</b>	<b>2.9%</b>
Adams	1,354	1,436	1,365	1,314	1,395	1,342	40	41	23	3.0%	2.9%	1.7%
Billings	367	374	365	340	353	351	27	21	14	7.4%	5.6%	3.8%
Bowman	1,853	1,847	1,813	1,826	1,815	1,784	27	32	29	1.5%	1.7%	1.6%
Dunn	1,781	1,809	1,790	1,715	1,750	1,745	66	59	45	3.7%	3.3%	2.5%
Golden Valley	827	844	827	805	826	810	22	18	17	2.7%	2.1%	2.1%
Hettinger	1,332	1,399	1,308	1,290	1,367	1,271	42	32	37	3.2%	2.3%	2.8%
Slope	360	409	349	349	401	344	11	8	5	3.1%	2.0%	1.4%
Stark	12,862	13,082	12,549	12,444	12,662	12,288	418	420	261	3.2%	3.2%	2.1%
<b>Region 8</b>	<b>20,736</b>	<b>21,200</b>	<b>20,366</b>	<b>20,083</b>	<b>20,569</b>	<b>19,935</b>	<b>653</b>	<b>631</b>	<b>431</b>	<b>3.1%</b>	<b>3.0%</b>	<b>2.1%</b>
<b>STATE</b>												
<b>TOTALS</b>	<b>337,807</b>	<b>340,204</b>	<b>339,430</b>	<b>328,735</b>	<b>332,276</b>	<b>332,094</b>	<b>9,072</b>	<b>7,928</b>	<b>7,336</b>	<b>2.7%</b>	<b>2.3%</b>	<b>2.2%</b>