

2007 SENATE HUMAN SERVICES

SB 2403

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2403

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: January 30, 2007

Recorder Job Number: 2235

Committee Clerk Signature Mary K Mouson

Chairman Senator J. Lee opened the hearing on SB 2403 relating to exemptions to the moratoriums on the expansion of basic care bed capacity and long-term care bed capacity.

Testimony from Barbara Walz was presented but not covered. Listed as #6

Senator Richard Marcellais, District 9, Bellcourt - In Favor

ATTACHMENT # 1 Covered Testimony

S Erbele: How many beds are represented in that August retirement?

S Marcellais: The same amount of beds that are in my testimony.

S Erbele: 45?

S Marcellais: Right

S Lee: Has construction started on the facility?

S Marcellais: No

Representative Merle Boucher, District 9, - In Favor

ATTACHMENT # 2 – Covered testimony

S Lee: There is a fiscal note, but there is no fiscal impact.

R Boucher: There is no fiscal note, basically two key comments were made extends from 48 months to 72 months, reality is that would be a 24 month extension under current law.

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There are 13,000-15,000 residents in Turtle Mountain community. When you look at the numbers you have more people, you have more people in elderly group by age numbers and population totals. Been in the community all my life, seen the needs that traditions have and the community, given a preference to take care of their family members in the home, but are situation where can't do it or have relatives close by to provide the care services. Have visited the Turtle Mountain Retirement Home which is where elderly live and there is a wide range of people there, called an "assisted living" arrangement to those who are in need of skilled care and it's really not available. In the population numbers of the area, one can easily justify for those kinds of services. Urge a strong recommendation as a DO PASS on this 24-month extension.

S Heckaman: Can you tell me where you are in the process of working on this, or someone else?

S Boucher: By my observation, one of the issues is to finalize the financial package and proceed with the plans. They have hired a management group to take care of management and do those kinds of things. There are a lot of things in progress, but they have encountered a number of obstacles.

<u>Dawn Charging - District 4 - TM Band of Chippewa Indians - In support</u>

[discussed the health care needs of the people] Diabetes is one of the largest killers and disease in our people. Reads from a quote:

"For a variety of reason, Native Americans have had historically shorter life expectancy, and have experienced earlier onset of chronic health care conditions. These factors bring elderly Native Americans to nursing home settings at younger ages than non-Indian individuals living in the same area."

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It is quite an honorable intention for them to being doing this for their people. On our reservation, we have a million acres that are separated by the Missouri River and our elders have one or two options. One is to be in the home with someone unless the are no longer able to be cared for which requires nursing care. They end up in a swing-bed situation, or there are two nursing facilities in our region. Very often, it is not a culturally comfortably thing to do. They are outside their home and their family. One of the goals is to build a facility in their community, staffed by their people and maintain that comfort zone for their people all the way through the end of their life.

David Doc. Brien - Chairman of the TM Board of Chippewa - In Favor

ATTACHMENT # 3 HANDED OUT

Eide Bailey forecast on the 5-year feasibility financial forecast. Also feasibility study from March 2004. Reads from Executive Summary to bring up some points.

This is simply an attempt of our Indian Reservation, Turtle Mountain Band of Chippewa to serve its own people on its own land. Tribal members find it difficult for several reasons, one being economic, to travel to visit our elders in outside nursing homes.

S Lee: You don't have existing nursing homes that have vacancies?

D Brien: I don't have numbers, but there are 2 nursing homes in Rolette County.

S Lee: Are any of your members served by those nursing homes at this time?

D Brien: Yes

S Warner: The financing available by the end of the year which is 2007, this was written in 2006.

D Brien: This was written 1 or 2 months ago, I believe.

S Warner: You felt the financing should be at the end of February, which is next week.

D Brien: Yes, I had planned to have a letter of credit here this morning to attach to your packet, but don't have that.

S Erbele: Two questions: 15 basic, 45 long-term, that's 60, how soon would you see yourself being at capacity of reaching the 60?

D Brien: I would say, August of 2008.

S Erbele: Could you give a two sentence answer to email nursing home administrators that are emailing from my district saying, "Don't do this, 48 months is long enough, not fair to us." How do I answer those folks?

D Brien: I would say that all we're trying to do is serve our own people on our reservation. Our own elders, keeping our elders home, that's our goal. I know there are economic considerations that bring up reasons not to give us an extension.

S Warner: I know the reservation is very small, most of the community lives off the reservation, is that facility projected to be on the reservation?

D Brien: Yes, on the reservation property.

S Lee: I'm looking at the feasibility study that was done in March of 2004. In order to be competitive, page 2. *Reads from testimony.*

That statement is 180 degrees off from what you're telling us is what you really want to serve your own people, how are going to make sure that you have the beds for you to make this financially sustainable? You have to have a pretty high population.

D Brien: We have 30,000 tribal members nationwide. 10,000 of the members live in Rolette County. We're working to bring the members home with that effort.

S Lee: Will you be employing people outside of tribal members as needed? Will there be equal consideration given to all employees?

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D Brien: Absolutely, the most qualified of course. If there are Federal dollars involved, we have to use the EDOC guidelines requirements, of course.

S Heckaman: I work on the Spirit Lake reservation in the schools there and I have some knowledge of the elders there that are living in private homes and the issues it creates for the families, in your band of Chippewa, will you be extending this to other bands of Indians.

D Brien: Yes, absolutely, whoever is in need. This is one piece of the cultural ways to support our elders and serve our people.

S Lee: On page 10, talking about shared services, "This project is dependent on shared services arrangements..." What kind of support is the tribe prepared to give to this until it does become self-sustaining, and what is your plan to make it self-sustaining?

D Brien: I can't point to any authorized or appropriate dollars at the Tribal level at this time, but can tell you that the tribe would; we have 175 general fund employees that serve at the digressional of the Tribal Council, we are prepared to mobilize those employees and pay their salaries to serve this institution. We have 800 employees in Rolette County in the Reservation, and 475 are under the direct supervision of the tribal government. 150 are paid directly through tribal coffers.

S Erbele: The beds expire on August of 2007, which means they were purchased 48 months back, in 2003. Can you describe the delays, why you weren't able to implement within 48 months, I'm sure the feasibility studies play a part in that. What other delays have you encountered?

D Brien: The primary department in our tribe in financing is the Tribal Planning Office. I'm observing that our tribal planning office is stretched to the limit. They have way more objectives and duties than they can accomplish. The lack of tribal planning and financial resources in management support we have, internally causes these projects to not get completed.

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In reality, we should have the nursing home under construction right now, and be ready to be occupied this spring. Our financing is NOT locked down.

S Erbele: So, the Tribal Planning wasn't affective in this case, in a timely manner?

D Brien: There is the project now in terms of priority. This project is the top priority in the chairman's office and the tribal council. We are working with planning to make sure this is accomplished.

S Lee: We recognize the challenges to you. I hope you recognize the challenges to us. It has to be a good reason to proceed. We will give it appropriate consideration.

Cheryl Kulas - In Neutral

I want to testify as a tribal member, I will testify as a neutral position as commissioner of Indian affairs.

S Lee: Tell us which hat you're wearing and we'll mark you down twice.

<u>Cheryl Kulas – Neutral position first</u>

TESTIMONY # 4 -- Passed out Real Choices Cultural Model & Final Report Real Choices

Systems Change Grant, Cultural Model, Olmstead Commission

The Chippewa do have an elder care facility. An elder care congregate housing facility provides housing for a number of individuals who cannot live in apartments. They also have an assisted living facility as well. Important to note, the community has been dealing with this issue of care over a period of years.

We do understand at some point all of us are going to age and in the process aging, we need to offer a grant, the Indian Affairs Commission to apply to develop a Cultural Model. This is to help define what is important in a system of care for American Indians. Because the population is growing, the important piece is the number of key variables which are highlighted in red.

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The last page, "Real Choices in Tribal Plans," we have plans that each of the communities organized an elders group. 13,000 enrolled members are overflowing to other communities as a growing population. The Native Americans in ND come home and stay home.

Cheryl Kulas background: Employee of the state for 17 years, 12 years in the Dept. of Public Instruction, 6 years as Commissioner of Indian Affairs. It has brought a whole different prospective to me. One of the reasons I left Dept. of Public Instruction, I had to spend a lot of time caring for my mother. Her responsibility as an elder child is to care for her mother. Father is being cared for at home by the family members, speaks of challenges [43:26m]

Important to provide a safe environment. Problems: living longer, higher rates of chronic disorders, diabetes. The document reflects that people stay in the community. When caring for her mother, she had to find a place for her in Grand Forks, ND. Important to provide care in our own community. The tribe has in reserve of \$1 million for initial operation. The tribe is aware that they will not be able to stock that facility right away and have it fully staffed, but recruitment is the issue. There are enough people in this community.

S Lee: I've wrestled with same issues with my father and had to move him miles away to where the services WERE available. The background of the people may not be as important as the quality of care. I live in a community with lots of refugees and immigrants. Over 1,000 Muslims in our area. 30 – 40 languages and dialects being spoken in our schools. I understand what the speakers are saying about the cultural facility sensitive to the Native American culture, but what do we do when other cultures come? We will NEVER be within 100 miles of home. Why is your request more important than theirs might be?

C Kulas: The fact that tribal governments are sovereign, they have the right to define their care and it's a RIGHT they have. We hope it can be adapted into making materials available in communities that would make it a lot easier.

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David Doc Brien: Wanted to respond to S. Lee's question: If other groups came forward and asked for an extension, I would say to them, "If you want to raise the money to build a building, and assemble the necessary management staff to care for your own people in your own home town, go for it."

S Lee: That is where in many cases Medicaid enters in. That is how can we balance the challenge?

D Brien: How do we balance the economic and the human? That's the challenge. The state should allow them to serve their own people no matter what the culture.

S Lee: We probably wouldn't care if there wasn't a price tag., that's the problem, and the daily costs of increasing the number of long-term care beds. It isn't that we're not sensitive and understanding to the issue, we're just trying to figure out how to pay the bill.

D Brien: Yes, I understand, within the needs of personal desires.

OPPOSITION

Shelly Peterson, Pres. Of the ND Long Term Care Association [NDLTCA] - In Opposition

TESTIMONY # 5 Covered testimony Explained attached handouts [60:00m]

Recognized the need 73:30m

[74:34m] Brought up the bad debt issues. It relates to the culture. 4.7 million in outstanding debt in collections. The top issues, children or guardians not paying the bill, or late on recipient liability. Explains about "recipient liability." When we looked at the facility, we noted they need assistance, they don't have the resources in many situations. When a person thinks that they are Medicaid eligible and you go into the nursing facility (56-58%) that Medicaid is paying the bill. It's a myth that Medicaid pays the full bill. Whatever their income is, of the \$3,000 you can have in the bank, you might have a burial account for when you die, but the income you receive has to pay the nursing home, and what you get is \$50 out of the check that you can

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keep for whatever you want, the remainder goes to the facility in recipient liability. some older people haven't understood that. In some cases, that check will support multiple families, and given warmly and shared. There is great reluctance to stay in the facility when they find out they can't keep their checks. Not being able to share your resources with your extended family is a big issue.

Also the issue on any tribal land owned by that older person; if you have any land in possession and issue a transfer of that land to other family members, so that they can be supported, is an issue on transfer issues. We need to do a lot more education on how to pay for long-term care. Medicaid pays the difference.

S Lee: I have a question on some facilities have under 90% occupancy. Can you tell me why Evergreen is in four different places?

S Peterson: We agree with you. The license them in four different individual facilities as opposed to one facility, and so we need to get the information from the Health Dept. and report it that way. It's how it's reported by the Health Dept., they are licensed as four separate facilities.

S Lee: In Morgan they have a secured facility for memory care.

S Erbele: In some facilities they are as low as 70% occupancy. How much of that is related to the shortage of staff VS shortage of patient population available?

S Peterson: The last thing you want to do is stop admissions, because you're stopping additional income from coming into the door, so you do that only as a last resort. In rural ND we see a lack of demand, the older people seem to be leaving the community, going to the urban centers, going to where their children live and getting care and services there. It is a combination. We have data on each facility. You never want to fall below 90%. Most of the issues would be related to occupancy. Staffing would be a part of the equation.

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S Lee: I know a number of people have moved to the larger communities, not only because of adult children living there, but because of medical facilities being there, wasn't because someone told them to do that, it was something they were pleased to do.

I'm seeing a lot of Good Samaritan names on here, I know they are exploring developments of facilities in urban areas, would they look at transferring those beds within their system? They can do that, can't they?

S Peterson: Yes, they can do that. There is one in West Fargo that will be opening in 2007, Nov. The facility in projected in Bismarck, they have transferred 20 beds into Bismarck. It is their hope they will transfer in 40 more beds. Beds out of service are Crosby and Devils Lake. Sensitive issue taking beds out of rural ND and you consider closing a facility, like Good Sam in New Town it becomes a significant issue with the community. As the center closes, you recognize you'll get care and services out of town.

S Warner: A comment, I'm on the board of Newtown one and there was a huge amount of resistance at the time of closure and the conversion, but it's a wonderful facility now. It's sustainable, the excess space was converted into professional offices, there is a chiropractor in there now, I think some housing offices, the space has not gone to waste.

S Peterson: That was a very painful process for the community, and polarized people and it has been a very good ending to that transition.

CLOSED

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2403 B

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: January 30, 2007

Recorder Job Number: 2327

Committee Clerk Signature Mary & Mouson

Minutes:

Chairman Senator J. Lee brought the committee back to order to discuss SB 2403.

S Peterson: 55 nursing facility beds, they probably paid anywhere from \$10,000 - \$15,000 per bed, where the basic-care beds those are going on the market for about \$1,000 a bed, so they've probably have expended ½ million to \$700,000 to try and get the license, I would guess. Regarding getting their money back, if they're willing in the seller and willing-buying market, so they could put them on the market and resell those, however, whoever purchases those had the same 48 months, and if the tribe used everything except a few months, they only have a few months to put those beds in service also.

S Erbele: They'd have to have them sold by August?

S Peterson: They'd have to have them sold and in operation in the new site by August for the first deadline of beds to go off and then every so many in months thereafter. Requested a general clarifying, if every time you sell them a new provider, would they get 48 months, and the answer came back, "No." It's just a one time 48 months.

S Lee: Then they're lost forever.

S Peterson: They're lost forever, however there are a couple of entities that could put those into service if they sold them now. If they waited a month or two it would be less likely. Where

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you may see it is where there is excess capacity. Theoretically, if a Bismarck hospital has excess capacity and could license and operate a nursing facility. Grand Forks is in dire need as well. Williston might also be in a position.

S Erbele: And the money is gone?

S Peterson: The way the money works is, it's an unallowable cost, so even though the tribe spent that money, they had to come up with funds from somewhere to purchase the beds and then the new entity that purchased the beds, you can't put that in your cost report, you have to come up with the money from some other source, Medicaid won't pay for those beds over. It has to be some resource.

S Lee: The extension from 24 for 48 months was made for the circumstance in the first place, so it isn't like this is new.

S Peterson: The agreement we had was, they are the ones that chose 48 months, and indicated that was more than efficient time.

S Lee: We aren't going to deal with that right now.

CLOSED

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2403 C

Senate Human S	ervices (Committee
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☐ Check here for Conference Committee

Hearing Date: January 31, 2007

Recorder Job Number: 2455

Committee Clerk Signature

Mary Kmonson

Minutes:

S Lee: Continue the discussion on 2403, which relates to the moratorium deadline being extended for the Turtle Mountain. This offers some challenges to other facilities in the area as we have discussed earlier, there are some other options that are available. What is the wish of the committee?

S Eberle: Moved for a DO NOT PASS on SB 2403.

S Dever: Second motion

Roll call on DO NOT PASS on SB 2403 - 4-2-0 Passed

Carrier: S Dever

FISCAL NOTE

Requested by Legislative Council 01/24/2007

Bill/Resolution No.:

SB 2403

1A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to

funding levels and appropriations anticipated under current law.

	2005-2007 Biennium		2007-2009	Biennium	2009-2011 Biennium		
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	
Revenues	\$0	\$0	\$0	\$0	\$0	\$0	
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0	

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

2005	2005-2007 Biennium		2007-2009 Biennium		2009	9-2011 Bienn	ium	
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

This bill extends the amount of time that the Turtle Mountain Band of Chippewa Indians has, on basic care beds transferred before August 1, 2005, to meet state licensing requirements from forty-eight months to seventy-two months from the date of acquisiton.

This bill has no fiscal impact.

- B. **Fiscal impact sections:** Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.
- 3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:
 - A. **Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.
 - B. **Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.
 - C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.

Name:	Debra A. McDermott	Agency:	Dept of Human Services
Phone Number:	328-3695	Date Prepared:	01/24/2007

Date:	<u>1-31-07</u>
Roll Call Vote #:	
Tron Can Toto n.	

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. <u>SB 2403</u>

Senate HUMAN SERVICES			<u>. </u>	Com	mittee
Check here for Conference C	ommitt	ee		_	
Legislative Council Amendment Num	nber _				
Action Taken Do No 1	L Pa	5.5			
Action Taken Do Not Motion Made By Sen. School	e	Se	econded By Sen. Re	ver	
Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman Senator Robert Erbele, V. Chair Senator Dick Dever	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		Senator Joan Heckaman Senator Jim Pomeroy Senator John M. Warner		\(\nu\)
Total (Yes) 4 Absent 0				***************************************	
Absent Floor Assignment If the vote is on an amendment, briefle			-		

REPORT OF STANDING COMMITTEE (410) February 2, 2007 9:38 a.m.

Module No: SR-23-1903 Carrier: Dever Insert LC: Title:

REPORT OF STANDING COMMITTEE

SB 2403: Human Services Committee (Sen. J. Lee, Chairman) recommends DO NOT PASS (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2403 was placed on the Eleventh order on the calendar.

2007 TESTIMONY

SB 2403

A#1

Testimony Senate Bill No. 2403 – relating to exemptions to the moratoriums of the expansion of basic care bed capacity Human Services Committee

Senator Lee, Chairman January 30, 2007

Chairman Lee, members of the Human Services Committee, I am Senator Richard Marcellais, from District 9, of Belcourt I am here today to provide you with testimony on behalf of the Turtle Mountain Tribe relating to exemptions to the moratoriums of the expansion of basic care capacity and long term care bed capacity.

The Turtle Mountain Band of Chippewa requests your assistance for a one-time, 24 month extension on SB 2404 for the Nursing Home Project. The tribe was allowed to participate in the long-term care initiative and purchased 45 long-term care bed licenses and 15 basic care bed licenses.

Under the terms issued by the State, some of the beds licenses are supposed to be retired into the State system in August 2007. With aggressive construction timelines, it will still be unlikely that the licensing procedures can be completed by August of 2007.

Staffing the facility will be obtainable, as our Tribe has many graduates in the medical field, with 90 plus currently enrolled, which 17 are seniors, graduating this year. Our medical and business graduates have stated that they are willing to staff the Nursing Home.

Thank you very much for the opportunity to appear in support of Senate Bill # 2403.



TESTIMONY SB 2403 SENATE HUMAN SERVICES COMMITTEE CHAIRPERSON – SENATOR JUDY LEE

Madame Chair Lee and members of the Senate Human Services Committee. For the record I am Representative Merle Boucher, a member of the House of Representatives from District Nine (9).

I appear before your committee this morning to express my support for Senate Bill 2403.

Subsection Four (4) of Section One (1) extends the amount of time that the Turtle Mountain Band of Chippewa Indians needs to complete its basic care facility.

Subsection Four (4) of Section Two (2) extends the amount of time that the Turtle Mountain Band of Chippewa Indians needs to complete their nursing facility.

The Turtle Mountain Band of Chippewa Indians have envisioned for a long time a facility that would provide basic care and skilled nursing services for their tribal members. They have encountered numerous obstacles. Yet, they have continued to persevere.

I am asking that this committee give careful consideration for a DO PASS on SB 2403 to allow them the opportunity to complete their project.

Thank you for your consideration. I am willing to respond to any questions you may have.

Respectfully submitted:

Merle Boucher, Minority Leader

North Dakota House of Representatives

2403

E#A

Turtle Mountain Band of Chippewa Nursing Home Project

Executive Summary

The Turtle Mountain Band of Chippewa is in the completion process of establishing a nursing home facility for its elderly tribal members. There are significant demographic and cultural reasons why this facility is needed in this community. There are also significant challenges to developing this facility in this community, the primary challenge being poverty and lack of access to capital. The recent introduction of the New Market Tax Credit program (NMTC) by the Federal Government, as a means of injecting equity into low income communities, holds promise as a way to finally accomplish the development of this long term care facility, which has been a priority of the Turtle Mountain community for almost a decade. As stated under a moratorium issued by the State of North Dakota, the Tribe was allowed to participate in the long-term care initiative and began purchasing bed licenses.

Previous attempts at financing the facility involved application to the North Dakota USDA Rural Facilities program. Turtle Mountain requested a combination of direct and guaranteed loans for the construction of the facility. Upon provision of this application (which included a feasibility study) in 2004, additional information was required by the USDA, including an additional feasibility study. This second feasibility study was completed in November of 2005. The second study recommended a similar financing package with a combination of direct and guaranteed loans from USDA Community Facilities program. With the submission of this second application a third feasibility study was requested by USDA addressing issues of critical care which proved to be irrelevant to the project. Although USDA is aware of the time constraints we face, they are aggressively working with our Tribe to successfully complete this project in a timely fashion.

In July of 2006 a decision was made to also explore NMTC as a way to complete and expedite the project. Currently Turtle Mountain has developed an attractive financing package using NMTCs. The Turtle Mountain Tribe is determined to develop this facility and is optimistic that financing will be completed by the end of this calendar year. Here are some of the reasons for our optimism:

This project is the number one priority for the elders of this Tribe and our community is committed to completing this project; 2) Ground breaking is scheduled for Spring 2007; 3) Both feasibility studies have demonstrated results indicating that the facility will be self-sustaining and of great benefit to the Turtle Mountain Community; 4) The Tribe received a million dollar grant from the Shakopee Mdewakanton Sioux Community to purchase the necessary bed licensees, and have completed all architectural drawings for the facility, and further have secured an additional million dollar grant from Shakopee Mdewakanton needed to operate the facility; and 5) The NMTC financing structure will inject an additional 1.4 million dollars of equity into the project completing a very

9,403

attractive capital structure for the project, with Stearns Bank committing 4.7 million for this project; and 6) our Tribe has many graduates in the medical field (medical doctors, social workers, physical therapists, clinical psychologists, nurses, nutrition, and diabetic specialists) to fully staff the nursing home. The Tribe also has 90+ currently enrolled in the medical field, which 17 are seniors, graduating this year. Our Tribal members have stated that are very interested in fulfilling the positions needed for this project.

The Turtle Mountain Band of Chippewa is looking forward to closing the financing package of this project with USDA, and Stearns Bank by end of February 2007 to use the intended New Market Tax Credits.

At present time the Tribe has retained 45 long-term care bed licenses and 15 basic care bed licenses needed for the upcoming nursing home complex. Under the terms issued by the State, some of the beds licenses are supposed to be retired into the State system in August 2007. The Tribe is requesting a one-time extension for the bed license time line. The imminent closing on the financing package by the end of this year will lead to ground breaking for the facility in the spring of 2007. With aggressive construction timelines it will still be unlikely that the licensing procedures can be completed by August of 2007. Therefore the Tribe will be requesting a one-time 24 month extension to complete construction operations and licensing procedures.

POINT OF CONTACT:

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