

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2095

2001 SENATE HUMAN SERVICES

SB 2095

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2095

Senate Human Services Committee

Conference Committee

Hearing Date January 15, 2001

Tape Number	Side A	Side B	Meter #
1	X		48.1
January 23, 2001 1		X	37
January 23, 2001 2	X		
January 24, 2001 1		X	13.4
February 5, 2001 2	X		26.6
Committee Clerk Signature <i>Paul Holody Clerk</i>			

Minutes:

The hearing was opened on SB 2095.

DAVID ZENTNER, Director of Medical Services for the Department of Human Services, introduced the bill and supports the bill. (Written testimony)

SENATOR LEE explained what has happened during the last legislature and how this all came about. She asked what would happen if we used the combination of the two and the lessor of the two. MR. ZENTNER answered that he thought that would work. There would be nothing in Federal law that would prevent us from doing that. We realize that self-employed income is fluctuating. We were thinking we would rather have it reflect the immediate. Using the average can cause problems. SENATOR MATHERN: What about making present income an option? MR. ZENTNER: Administratively that would get really difficult. We would have no previous circumstances and then we will use current, but we will ask them for their records for the

previous months. That may be detrimental as it would not show their true income. SENATOR POLOVITZ: What happens if the person is on it and goes off the next year? MR. ZENTNER: We have a twelve month continuous eligibility period, so if you are eligible in January, 2001, your children would be eligible through December, 2001. 60 days we send out a request for information and evaluate it again. If they no longer are eligible, we will refer them to the Caring Program. SENATOR LEE explained that the limit for families that are eligible for children's insurance program is 140% poverty and Caring Program provides both acute and preventive care for children vision and dental benefits up to 200% of poverty. SENATOR KILZER expressed favor with Senator Lee's proposal.

Neutral Testimony

GAIL ERICKSON, resident of Burleigh County, has concerns with the self-employed income calculated using adjusted gross income. Combining self-employed with other employment would be better system.

Opposition:

MARGARET KOTTRE opposes the bill. (Written testimony)

The hearing was closed on SB 2095.

SENATOR MATHERN asked Mr. Zentner how we determine the adjusted gross income.

MR. ZENTNER replied that if self-employment has a negative balance it is returned to \$0 only carrying the amount that is earned elsewhere. You are looking at self-employed income and then you are looking at other income. We are looking at it as a separate process, not a combined income. SENATOR MATHERN: Could you take the actual completed income tax report which would have been combined the off farm and on farm income. MR. ZENTNER: That would be a possibility. If there is any other income we subtract that off so it is not reflective, so its kind of a

wash type of thing. SENATOR LEE: Does it include any self-employed income. MR.

ZENTNER: Yes. SENATOR MATHERN asked that an amendment considering the average of previous three years or previous year, whichever is less. SENATOR FISCHER would like to see the rules for determining income.

The committee was recessed.

The committee was reconvened on January 23, 2001, Tape 1, Side B, Meter 38.

Discussion was held. Requested amendment adjusted gross income be used as income from Federal Income Tax. Also either by previous year or average previous 3 year whichever is less.

Mr. Zentner was asked to come down and answer some questions. SENATOR MATHERN moved to accept amendments. SENATOR FISCHER seconded. Roll call vote carried 6-0. The committee will wait with further action until the amendments are drawn.

January 24, 2001 Tape 1, Side B, Meter 13.4.

The committee began discussion with MR. ZENTNER on the way of figuring the income determining eligibility. The committee is under the impression that the rules are in violation of the law. We shouldn't have to restate the law. Our concern is the number used for the eligibility. We are suggesting the negative of a self employed income be subtracted from earned income of the other spouse. We want the negative number be used and not -0-. We want the most number of people on the eligibility on the roll. We need an amendment added to the amendment we already have and defining how to determine eligibility. Mr. Zentner was requested to bring an amendment to the table. The committee was adjourned.

February 5, 2001 Tape 2, Side A, Meter 26.6.

Discussion was held. SHELDON WOLF explained the amendments. They were discussed.

SENATOR FISCHER moved to reconsider the amendment on the table. SENATOR

Page 4

Senate Human Services Committee

Bill/Resolution Number SB 2095

Hearing Date ~~January 15, 2001~~

2-5-01

MATHERN seconded it. Voice vote carried. SENATOR FISCHER moved the amendments by Mr. Zentner. SENATOR MATHERN seconded the motion. Roll call vote carried. SENATOR MATHERN moved DO PASS AS AMENDED. SENATOR FISCHER seconded it. Roll call vote carried 6-0. SENATOR FISCHER will carry the bill.

FISCAL NOTE
 Requested by Legislative Council
 04/06/2001

Bill/Resolution No.:

Amendment to: Engrossed
 SB 2095

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would change the eligibility determination for the Healthy Steps program for self-employed individuals. Eligibility would be determined based on the lower of either:

1. The previous one-year of adjusted gross income or loss, less any earned or unearned income on the tax return, plus any current earned or unearned income.
2. The average of the previous three years of adjusted gross income or loss, less the average of earned or unearned income for each of the previous three years, plus any current earned or unearned income.

We do not anticipate a fiscal impact due to these changes. The net effect caused by individuals eligible for the program should be minimal due to this change.

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, of the effect*

on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Debra A. McDermott	Agency:	Department of Human Services
Phone Number:	328-3695	Date Prepared:	04/09/2001

FISCAL NOTE
 Requested by Legislative Council
 03/21/2001

Bill/Resolution No.:

Amendment to: Engrossed
 SB 2095

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would change the eligibility determination for the Healthy Steps program for self-employed individuals. Eligibility would be based on the average of the previous three years of adjusted gross income or loss, less any earned income on the tax return for the each of the three years, plus any current earned or unearned income. We do not anticipate a fiscal impact due to these changes. The net effect caused by individuals eligible for the program should be minimal due to this change.

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, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Brenda M. Weisz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	03/21/2001

FISCAL NOTE
 Requested by Legislative Council
 02/14/2001

Bill/Resolution No.:

Amendment to: SB 2095

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would change the eligibility determination for the Healthy Steps program for self-employed individuals. Eligibility determination would change from a three year income average to the lower of:

1. the lower of the previous one year, or the average of the previous three years of adjusted gross income.
2. the lower of the previous one year, or the three year adjusted gross income, less any earned income on the tax return, plus any current earned or unearned income.

We do not anticipate a fiscal impact due to these changes. The net effect caused by individuals eligible for the the program should be minimal due to this change.

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, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and*

appropriations.

Name:	Brenda M. Weisz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	02/16/2001

FISCAL NOTE
 Requested by Legislative Council
 01/02/2001

Bill/Resolution No.: SB 2095

Amendment to:

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill would change the Healthy Steps eligibility determination for self-employed individuals from a three year income average to the previous year's adjusted gross income. It is anticipated that any increases in eligibility will be offset by corresponding decreases in eligibility. Based on these assumptions, it is anticipated that the proposed bill will no fiscal impact.

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, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Brenda Weisz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	01/04/2001

