

MICROFILM DIVIDER

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



ROLL NUMBER

DESCRIPTION

24/4

2001 SENATE HUMAN SERVICES

SB 2414

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2414

Senate Human Services Committee

Conference Committee

Hearing Date February 7, 2001

Tape Number	Side A	Side B	Meter #
1		X	46.5
2	X		
February 7, 2001 3	X		
Committee Clerk Signature <i>Carol Holodyschuk</i>			

Minutes:

The Human Services committee was called to order. The hearing was opened on SB 2414.

SENATOR MATHERN introduced the bill. This bill has two issues to deal with. The family cap is one. If a woman is having another child, the bill would lift the cap so the child would be eligible for assistance. It may have contributed to the abortion rate. It adds a complicating factor in the eligibility process. The second item is page 4, line 25 adding child delivery. We need to say the prenatal care should continue through the delivery.

SENATOR KRAUTER, cosponsor of the bill, supports bill. The focus here, is on the child, not the individual who is pregnant. Child delivery is included in this. Bill. It clarifies and has it covered. SENATOR LEE suggested that the cap on delivery expenses being excluded because of the chance of the million dollar babies to escalate the moneys paid out. SENATOR

KRAUTER: I don't remember it to be that way, but I will go back and check

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Senate Human Services Committee

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STACEY PFLIIGER, Right to Life, supports bill. (Written testimony) SENATOR LEE: How can you say abortions have raised because of family cap? MS. PFLIIGER: I'm not saying it is the only reason, but it would be a contributing factor.

CHRISTOPHER DOBSON, ND Catholic Conference, supports bill. (Written testimony)

JACK McDONALD, ARC, supports bill.

Opposition:

JOHN HOUGEN, Director of Public Assistance for the Dept of Human Services. (Written testimony) SENATOR MATHERN: Is the decrease figured into fiscal note. MR. HOUGEN: Yes, we took the increase in TANF benefits and subtracted the corresponding food benefits.

SENATOR MATHERN: What would the implementation of this bill work? How long will this take? MR. HOUGEN: It probably would not be a very long process. We would take the rules out of the system and the child would be considered same as other children. Not a major program change; cost some money, but not difficult.

Hebron students were welcomed to the Committee.

BLAINE NORDWALL, Director of Economic Assistance Policy for the Dept of Human Services, provided information on the bill. (Written testimony) Presented amendments to the bill. SENATOR MATHERN: What is the actual process in Dept if million dollar baby is born? What would happen to the bill? SHELDON WOLF:, Asst. Medical Director, answered the question. If the family is on Healthy Steps the baby is included in program. If not on Healthy Steps, they would not come on until the next month. SENATOR MATHERN: If they are eligible for CHIP, and that baby has all these expenses, they may be eligible for Medicaid. MR. WOLF: The Mother would not be eligible for the Medicaid program, but the child would be.

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Senate Human Services Committee
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The change in the law is for somebody that is 18 or under and on the program. That would be a separate case. SENATOR MATHERN: Would there be a benefit if we gave you some options, to use the CHIP or Medicaid programs. MR. WOLF: We do have options, but the Federal Gov't has taken those options. If they are Medicaid eligible, they have to go on the Medicaid program, they cannot go on one or the other. SENATOR KILZER: What do other states do? MR. HOUGEN: In the fifty states, there were 23 or 24 that have adopted the family cap.

The hearing is closed on SB 2414.

SENATOR MATHERN moved a DO PASS. SENATOR POLOVITZ seconded it. Discussion was called for. Motion was withdrawn.

February 7, 2001, Tape 3, Side A

Discussion was held on the amendments of the Department. It was decided not to adopt the amendments. SENATOR MATHERN moved a DO PASS and REREFERRED to Appropriations Committee. Discussion. Roll call vote carried 4-2. SENATOR MATHIERN will carry the bill.

FISCAL NOTE

Requested by Legislative Council
03/22/2001

Bill/Resolution No.:

Amendment to: SB 2414

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				\$297,037		\$265,382
Expenditures				\$297,037		\$265,382
Appropriations				\$297,037		\$265,382

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 remove the Benefit Cap for children whose families are participating in the Temporary Assistance for Needy Families (TANF) program.

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.*

Additional revenues would be from Federal funds.

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.*

The Benefit Cap removal for TANF children would cost an additional \$419,718 in Federal TANF funds. The increased TANF payments would decrease eligibility for both the Food Stamp Program and the Low Income Home Energy Assistance Program. Expenditure savings to these programs would total \$165,638, all of which are Federal funds. The net increase to the Economic Assistance grant line item would be \$254,080. Increased operating expenditures would be needed for system modification to implement the changes called for by this bill. These expenditures would total \$42,957, all of which are Federal funds. System modification expenditures would be completed during the 2001 - 2003 biennium.

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.

The changes called for in this bill were not included in the Executive Budget. The appropriation for the Department of Human Services would need to be increased by \$297,037, all of which are Federal funds.

Name:	Brenda M. Weisz	Agency:	Department of Human Services
Phone Number:	328-3297	Date Prepared:	03/23/2001

FISCAL NOTE

Requested by Legislative Council
01/30/2001

Bill/Resolution No.: SB 2414

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				\$352,831		\$330,326
Expenditures			\$14,831	\$352,831	\$17,263	\$330,326
Appropriations			\$14,831	\$352,831	\$17,263	\$330,326

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 remove the Benefit Cap for children whose families are participating in the Temporary Assistance for Needy Families (TANF) program. This bill would also provide for child delivery services under the Healthy Steps Program.

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.*

Additional revenues would be from Federal funds.

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.*

The Benefit Cap removal for TANF children would cost an additional \$419,718 in federal TANF funds. The increased TANF payments would decrease eligibility for both the Food Stamp Program and the Low Income Home Energy Assistance Program. Expenditure savings to these programs combined would be \$165,638, all of which are Federal funds. The net increase to the Economic Assistance grant line item would be \$254,080. Increased expenditures would be needed for system modification to implement the changes called for by this bill. These expenditures would be \$42,957 reflected in the operating line item using Federal TANF funds. System modification expenditures would be completed during the 2001 - 2003 biennium. Adding child delivery services to the Healthy Steps program would have a fiscal impact of

\$70,625, of which \$14,831 would be general funds to the Medicaid grants line item.

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.*

The changes called for in this bill were not included in the Executive Budget. The appropriation for the Department of Human Services would need to be increased by \$367,662 of which \$14,831 would be general funds.

Name:	Brenda M. Welsz	Agency:	Department of Human Services
Phone Number:	328-2307	Date Prepared:	02/05/2001

Date: 2/9/01

Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2414

Senate HUMAN SERVICES Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do pass and refer to Appropriations

Motion Made By Sen Mathern Seconded By Sen Polovitz

Senators	Yes	No	Senators	Yes	No
Senator Lee, Chairperson		✓	Senator Polovitz	✓	
Senator Kilzer, Vice-Chairperson	✓		Senator Mathern	✓	
Senator Erbele	✓				
Senator Fischer		✓			

Total (Yes) 4 No 2

Absent 0

Floor Assignment Sen Mathern

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

REPORT OF STANDING COMMITTEE (410)
February 8, 2001 3:15 p.m.

Module No: SR-23-2778
Carrier: T. Mathern
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2414: Human Services Committee (Sen. Lee, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2414 was rereferred to the Appropriations Committee.

2001 SENATE APPROPRIATIONS

SB 2414

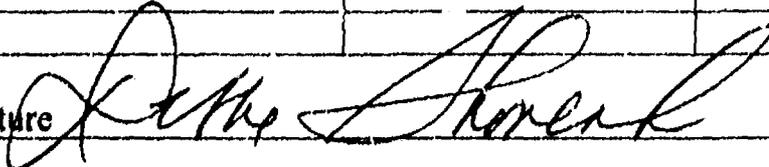
2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2414

Senate Appropriations Committee

Conference Committee

Hearing Date February 13, 2001

Tape Number	Side A	Side B	Meter #
2	X		3.6-18.1
Committee Clerk Signature 			

Minutes:

Senator Nething opened the hearing on SB 2414.

Senator Tim Mathern, District 11, and sponsor of the bill appeared before the committee stating this bill is to lift the family cap and to clarify CHIPS for child services covered. With this bill food stamps and heating assistance will be decreased. The average amount TANF grant is not increased, a benefit cap per child is \$93 per month. Basically the extra CHIP with this bill will increase federal participation. Abortion rate (chart attached) is a factor considered for family policy cap and in place has not decreased pregnancies, questions impact to department. If we keep the family cap additional costs will occur.

Christopher Dodson, Executive Direct NDCC, (testimony attached) spoke on fiscal impact in removing cap and including delivery coverage.

Stacey Pflieger, Executive Director NDRL, (testimony attached and chart 1999 ND abortion statistics).

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Senate Appropriations Committee

Bill/Resolution Number SB 2414

Hearing Date February 13, 2001

John Hougen, Director Public Assistant, Dept. Of Human Services, (testimony attached). Also mentioned a current out of state court case on child support collections not passed through the family as being unconstitutional. Also explained the TANF Grant (Benefit Cap Fact sheet attached).

Senator Tallackson: Is the funding mostly from federal funds? \$14,000 general fund necessary to get matched funds?

John Hougen: \$14,000 is for CHIP spending and not benefit cap.

Senator Bowman: Reduction in food stamps and hearing assistance if this bill is passed; why would we pass this bill if they are reduced; what out weighs this?

John Hougen: Because of eligibility for the two programs; TANF is honored income to give a balancing effect giving more to this program.

Senator Nething the TANF Program; is this the same or less than the other two programs?

John Hougen: With the TANF Program there is an increase of \$93.00 per month to the family.

Senator Solberg: Where are we going with this? Child deliveries.

John Hougen: Children born to children.

Senator Robinson: Cap benefit reduced for assistance to the children; explain this.

John Hougen: We compare two quarters; look at births and there is no statistical differences.

Also stated this bill is not in the Governors Budget.

With no opposition the hearing was closed on SB 2414. Tape #2, Side A, meter 18.1

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Senate Appropriations Committee

Bill/Resolution Number SB 2414

Hearing Date February 16, 2001

February 16, 2001 Full Committee Action (Tape #1, Side B, Meter No. 36.5-43.7)

Senator Nething reopened the hearing on SB2414.

Discussion. Senator Solberg moved a DO NOT PASS; seconded by Senator Grindberg.

Discussion; then call for the roll call vote: 9 yes; 5 no; 0 absent and not voting. Senator Solberg accepted the floor assignment.

Date: 2-16-01

Roll Call Vote #: _____

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2414

Senate Appropriations Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Senator Solberg Seconded By Senator Grindberg

Senators	Yes	No	Senators	Yes	No
Dave Nething, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindaas		✓			
Harvey Tallackson		✓			
Larry J. Robinson		✓			
Steven W. Tomac		✓			
Joel C. Heitkamp		✓			
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 9 No 5

Absent 0

Floor Assignment Senator Solberg

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

REPORT OF STANDING COMMITTEE (410)
February 16, 2001 11:45 a.m.

Module No: SR-29-3647
Carrier: Solberg
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2414: Appropriations Committee (Sen. Nothing, Chairman) recommends DO NOT PASS (9 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). SB 2414 was placed on the Eleventh order on the calendar.

2001 HOUSE HUMAN SERVICES

SB 2414

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2414

House Human Services Committee

Conference Committee

Hearing Date March 13, 2001

Tape Number	Side A	Side B	Meter #
Tape 1	X		0 to end
Tape 1		X	0 to 1105
Committee Clerk Signature <i>Cornie Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig

Chairman Price: Open hearing on SB 2414

Senator T. Mathern: Presented Bill. (See written testimony.) Though this bill is simple I understand that the issues are not simple and the costs involved are not insignificant. I ask you to consider this public policy matter from a long term perspective and support the changes suggested by the bill.

Chairman Price: The other piece of the bill it says "covering maternity services in the CHIPS Program" and we have other policies that do not have maternity services - has there been a problem in this area?

Senator Mathern: I don't know of specific cases where someone has not received services, but basically I see it as an unclear kind of message where we are paying for delivery service and then not paying for prenatal care and not services beyond that. I presume some of these people probably would be eligible for Medicaid at that point. I think anything we can move into a CHIPS Program deletes a complicated factor for the family in terms of registration or application process, and also benefits our state in terms of federal match - this would be more positive under the CHIPS Program than under the Medicaid Program.

Chairman Price: Did you do any research on what one or two high risk babies would do to our premium on CHIPs versus Medicaid?

Senator Mathern: There is that potential. Those risks are there whether in the CHIPs Program or Medicaid Program. We have an insurance program through the Medicaid Program to address those risks.

Vice Chairman Devlin: Would you point out anywhere in state law or statute where this family cap exists.

Senator Mathern: I am not aware of any place in state law where that exists. I believe that is the language we have used in the Legislature, and that is the reason for the language in the testimony. I have no problem with using other words to describe that. Basically, the family cap is a simplified way of describing line 5 through 9 on page 4.

Vice Chairman Devlin: Then you wouldn't have any problem in the House - most of us refer to it as either a cash cap or benefit cap.

Senator Mathern: I have no problem with that.

Rep. Galvin: There really isn't any statistics, other than the abortions have increased. There really isn't anything linking it to the cash cap, is there?

Senator Mathern: There is some studies done in other states. I don't believe there has been any research in North Dakota. I suspect we don't have the resources to do such a study.

Vice Chairman Devlin: Would you comment on Tim Lindgren of the North Dakota Life League's testimony on an earlier bill, he said "I do not believe that the cap has a significant impact here in North Dakota. The increases in abortions you see in 1998 I believe are due to the opening of the second surgical abortion center in Fargo".

Senator Mathern: That don't just relate to just one year. It seems to be a pattern there. If that is the case that it specifically relates one abortion clinic. I would think that was temporary and would reverse itself. I believe there are a lot of variables that affect the abortion rate. SB 2414 is one of the things that we can do to make sure that our public policy in terms of helping these people is pretty clear. Temporary assistance to families who need it. These kinds of things like the cash cap is moving us away from the main purpose of TANF.

Rep. Weisz: You just made comment that you felt that TANF's purpose was to be a temporary thing to get them back away from needing assistance, but isn't that exactly what is happening if in a sense you encourage them to have more children while they're on this temporary assistance you're making it a lot more difficult for them to actually get off the system and make it on their own. No one is saying we're asking them to stop having children at all, either before or after.

Senator Mathern: This isn't a decision about assistance, but social issues such as poverty. When there is a pregnancy in that context, the best way for them to become self-sufficient is to provide some support. TANF provides the basic foundation so they can move ahead. Being on TANF gets you involved in the potential of counseling services - some case management services.

Rep. Weisz: Are you implying that case management is not working in TANF? Because that is part of the reason for case management. They are not subject to the cap until they are already in

TANF. They are doing all the things and getting the assistance they need, so I thought that was the whole point of case management. What are our case managers doing then?

Senator Mathern: I'm saying they can take advantage of the positive things like case management if they aren't worrying so much about do the kids have enough food for tomorrow.

Senator Erbele: I stand here in support of SB 2414. This bill was debated in committee and on the floor with people on both sides of the aisle taking positions. I see this bill as being more than just about money to needy families. I see it as giving a voice to children who have no voice. I doubt seriously that for \$90 a month increase that anyone would plan to have a child. These children have nothing to do with the signing of the contract. We need to be sensitive to that. I urge you to consider a DO PASS on SB 2414.

Chairman Price: One of the things you said "there are unplanned children in a family". No one is disputing that. In January 1997 when we initially debated this of the 3,145 people AFC or TEAM before TANF, only 110 were married. So the bulk of them were not in a family or a married situation and part of our argument was abstinence, or make some choices and do some thinking on that. We felt that women need to make choices, this is there time, they have time to turn their life around. Doing that is much easier when you don't have a new baby. The incentive was to try to say "this is your chance - for the children that you have, take the best advantage that you can".

Senator Erbele: Those numbers I was not aware of at all. I do agree that this should be the message to make wise choices.

Rep. Weisz: Don't you feel that people have a responsibility, if they are receiving state assistance, for their actions. Only 6.5% of those who are subject to the benefit cap are married.

We are sending a subliminal message if we pass this bill and eliminate the benefit cap, we're saying that is okay to be unmarried and not be responsible, that it is okay to have additional children.

Senator Erbele: That is true, but then the children are the victims. I'm looking beyond the woman being pregnant, and looking out for the child. We need to look at something different in terms of education, and birth control, and everything else, but once the baby is conceived we need to address the child at that point.

Rep. Weisz: Don't you think we're making older children the victims. The statistics will show that we have cases where up to seven additional children have been born while they were on assistance. You're condemning children to a life of poverty in a lot of cases. We aren't helping the children that are already there. It seems to me we are making this one child the victim - what about the other children that are already in that family?

Senator Erbele: I agree with you.

Rep. Galvin: You made the point that probably somebody wouldn't have another child for \$25. By the same token I can't believe that someone would have an abortion because of the cash cap.

Senator Erbele: I don't know if we can figure out how the human mind works under those situations. It affects everyone differently.

Chairman Price: Then adoption is always an option.

Senator Erbele: Yes it is.

Rep. Boehm: I signed on to this bill and I think it is a good one. We need education in our schools. We need to show a positive message to these young women and men that are having these children. We are starting at the wrong end. We need to start when they are young and in

school. We need to put our money in an education type of program. I support this bill and hope you can pass it.

Chairman Price: You talked about education. That was part of our discussion in 1997 - was that before these women received benefits she obviously would have to go to an eligibility worker or social worker. She would already have had at least one child to be eligible. That was one of the initial discussions with the case workers - that this is one of the things they would be made aware of. There would be no additional cash, yet there would be increases in other things like the food stamps, and the daycare, and those types of things so that they would make the right choices up front. We thought this would be the perfect way to get their attention, that they could get the birth control counseling or the abstinence - whatever was appropriate for that particular person. That was our goal. How else would you get their attention?

Rep. Boehm: Like I said, that is when she is having her second child already. We need to somehow get them even before they have their first one. We need to get to our schools.

Chairman Price: I don't disagree.

Rep. Kerzman: I have strong personal feelings about life. This process has produced a few thorns, benefit caps, family caps is one of thorns in my estimation. Basically, that family caps freeze the level of assistance for a family on TANF. Family caps are counter productive. Family caps were not mandated in welfare reform. I cannot support this restriction where a family might chose abortion as an option.

Rep. Weisz: Don't you feel that anything we do that help encourage the mother not to get pregnant in the first place would also have a positive affect of potentially reducing abortion?

Rep. Kerzman: I agree with that statement, but what has this done so far?

Rep. Weisz: It does appear at least from some of the data that we are having fewer children that are being born under TANF.

Rep. Kerzman: I don't know how many children were born before the caps, but since the caps we've had about 367 children that are affected by this.

Chairman Price: In 1997 for a lot of us it wasn't the money. It was the responsibility of choice to delay having anymore children until you can take care of the children you already have. You could do the education, you could do the work, you get to the point where you got off of the system and then maybe became a family - got married or whatever, but to have the discussion up front to say these are your options. If birth control is something that you believe in then this is your choice. But we all know that with the addition of another child to a two couple marriage or family is difficult enough, but to put it into a single mom who is already on assistance and is struggling to make a better life for herself and her children, anything that could delay that would be better for the children already there. How else do we get the discussion up front?

Rep. Kerzman: I think it boils down to education. Children are born everyday to people who can't afford it. I don't know if we can stand here and say we're going to regulate the size of a family. I would not be in favor of that, but I think it is an education process and we're probably lacking in that area.

Christopher Dodson: Executive Director, N.D. Catholic Conference. (See written testimony.) The Conference supports SB 2414 to remove the "cap" provision from the TANF Program and include delivery coverage in the Children's Health Insurance Program. The Conference opposed the cap provision when it was enacted in 1997. The experience of the Catholic Church and pro-life organizations, as well as New Jersey's experience with the cap, led us to believe, and still believe, that the provision encourages abortion.

Rep. Weisz: You say the provision encourages abortion, and yet the statistics show the other way. 80% of those that are affected by the benefit cap at a 40% reduction in the abortion rate since the cap went into affect. North Dakota's rate went up 4%, out of state went up 17%. It appears the data that I see the benefit cap caused a reduction in the abortion rate.

Christopher Dodson: We believe it encourages abortions because anytime we do not provide assistance for a woman who is facing a difficult situation it is a barrier to carrying that child to full term. As far as North Dakota we have never indicated that we believe that the rate is directly related. When you run through the reservation counties, which have always had a low abortion rate anyway, we know most of the TANF recipients are reservation county. There is not that much difference at all in the abortion rate, so I would have a hard time to say that it has decreased because the evidence does not bear that out when you look at reservation counties.

Rep. Weisz: I'm merely going by data that was presented by our department that show the decrease being 40%, and native Americans have 77.2% of the children under this benefit cap, and the overall North Dakota rate only increased by 4%. We are not taking into account that we did have another abortion provider open up with the timing was almost directly coincided when the benefit caps went into affect. It bothers to me that we're trying to make something out of data that in no way supports the position that this cap is ever causing increase in abortion.

Christopher Dodson: I don't think we have the data in this state yet. We have the data from other states. The studies in New Jersey show the 14% rate for those that were subject to the cap. I'm still curious about the numbers because they don't match up with the numbers that I know from the Department of Health.

Rep. Weisz: You say you feel the cap violates human dignity, but you would then say that it encourages human dignity when someone has 5 or 6 children while they are on assistance. How

does that improve the human dignity of those children under the cap? They should have to take responsibility for their actions and that there are consequences for their actions.

Christopher Dodson: Every child possesses dignity which cannot be taken away, but can only be respected or violated. That child is deserving of assistance no matter what the circumstances are.

Rep. Weisz: How is moral to condemn the other children in that family to a life of poverty.

Seems you are trading the dignity from one child to the dignity of the other child. How do you mesh those two?

Christopher Dodson: What you end up doing in this situation is actually diminishing the respect and dignity of all the children because now there is less assistance to go around for all of the children in that family. The purpose is to provide assistance so they can move on with their lives. That is why we have other programs the mother is subject too without regards for the cap to help her make more rational, and lifestyle change decisions. That is why the Indiana court decided that it is the child assistance that is being denied here.

Jack McDonald: The Arc of North Dakota. The Arc does want to support this bill, so we would like to go on record.

Stacey Pflieger: Executive Director of the N.D. Right to Life Association. (See written testimony.) The Association continues its strong opposition to the North Dakota "family cap" as we did during the 1997 Legislative Session. We strongly support this bill which will repeal the provision. This provision places sanctions on the child, not the parent. The child born under this provision has been denied assistance which provides for necessities such as diapers, baby bottles, a safety car seat, and the list goes on and on.

Rep. Galvin: The fourth paragraph in your testimony: "North Dakota believes it is somehow immoral for a poor family to allow their child to be born." Do you think it is moral to have multiple births being unmarried. I think that is the point we are trying to make.

Stacey Pflieger: That is an issue we don't take up in our organization. Our focus is on the child and that this benefit cap puts a restriction on that child's birth.

John Hougen: Director of Public Assistance for the Department of Human Services. (See written testimony.) I am here to provide information on SB 2414. The department is taking a neutral stance on this bill. (Also see attached Benefit Cap Fact Sheet.)

Chairman Price: Your saying that the people that tend to be affected by the benefit cap also tend to have the greatest number of children?

John Hougen: They do tend to have bigger families.

Chairman Price: Could you give us a chart based on the number of people on assistance. How many were married? How many were unmarried, and how many additional children had been born to the family while on assistance?

John Hougen: ????????

Chairman Price: So each additional child in the family regardless if child number two or child number six the cash amount is the same?

John Hougen: It is very much the same. We have dollar fluctuation, but it is right around \$93 for each child.

Chairman Price: But the more children you have it decreases the other benefits like the heating assistance, food stamps?

John Hougen: That is correct.

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House Human Services Committee

Bill/Resolution Number SB 2414

Hearing Date March 13, 2001

Rep. Weisz: Can you explain in your chart why the benefit caps families are getting more than the non-benefit caps families?

John Hougen: There could be a number of reasons for this. You don't get a grant based on family size, it has to do with income and earnings and a lot of other things. Families with benefit caps probably have less in the way of assets and other resources.

Rep. Weiler: Does your department have any statistics on abortion because in some of the earlier testimony, that abortion rates have actually gone down with this program - it was said that we actually have no data to back it up because we have no statistics. But yet, a person on that same side of the issue said "since North Dakota adopted the provision we have seen a rise in the abortion numbers"?

John Hougen: The Department of Human Services doesn't collect that data. It is the Department of Health. I have looked at the data and what I've seen is a slight increase in the abortion rate over the past two years.

Chairman Price: Mr. Hougen and Rep. Weiler, the statistics are kept in the Department of Health, and it took our intern about three weeks to get the break down.

Chairman Price: Close hearing on SB 2414.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2414A

House Human Services Committee

Conference Committee

Hearing Date March 20, 2001

Tape Number	Side A	Side B	Meter #
Tape 2	X		0 to 2300
Committee Clerk Signature <i>Corinne Easton</i>			

Minutes:

Chairman Price, Vice Chairman Devlin, Rep. Dosch, Rep. Galvin, Rep. Klein, Rep. Pollert, Rep. Porter, Rep. Tieman, Rep. Weiler, Rep. Weisz, Rep. Cleary, Rep. Metcalf, Rep. Niemeier, Rep. Sandvig.

Chairman Price: Let's take up SB 2414.

Vice Chairman Devlin: I will move an amendment to eliminate Section 2.

Rep. Porter: Second.

10 YES 4 NO 0 ABSENT

Rep. Cleary: Delivery services are already being taken care for people?

Chairman Price: The delivery room itself is not covered under CHIPs. When we first talked about it, there was discussion that the CHIP's Mom and the child would be a new contract and would be a Medicaid thing.

Rep. Weisz: I understood that if the family was already under CHIPs the delivery was covered.

Page 2

House Human Services Committee
Bill/Resolution Number SB 2414A
Hearing Date March 20, 2001

Chairman Price: The baby goes on right away, so the baby in the nursery is covered.

Rep. Niemeier: I have amendments I would like to offer. I would move this amendment.

Chairman Price: We have a motion.

Rep. Cleary: Second.

Rep. Niemeier: This is basically the same amendment I offered on the House TANF bill, so I want us to look at it again. The reasons for it remain the same. The states can provide access to secondary education to women on TANF and other lower income women. In fact the regulations encourage that we do this. Advanced education offers the best path off of welfare into self-sufficiency. I talked with the department, and they have assured me that there is sufficient TANF dollars to fund this.

Chairman Price: Do you remember the fiscal note on the original bill?

Rep. Niemeier: I don't.

Rep. Porter: I have a concern of how this is worded thinking that an individual is on TANF and under this proposal would start working towards a four year degree and half way through that, all of the funds would stop. What would you have?

Rep. Niemeier: The intent of this is that it would include two year programs.

Rep. Porter: I understand that. My problem is that it also includes four year programs that all of a sudden two years into it the money stops and now the individual has no TANF benefits, no money, and no education.

Rep. Klein: Why wouldn't they have any TANF benefits? They would still have the benefits, they just wouldn't have it for going to school.

Chairman Price: They could qualify for the TANF if we say it is a work activity. At the end of the 24 months if they needed to continue to go to school, that would not be a work activity.

Rep. Niemeier: I proposed this based on the fact that our compliance figures are good, and that the numbers of recipients who may want to take advantage of this would fit in there all right and it wouldn't really jeopardize our compliance figures that much.

Rep. Cleary: I was wondering that in two years this could be revisited again. If that is a problem then, add another two years. You will know how it works by then.

Rep. Welsz: Currently we don't have a problem with our compliance figures, but that could change in the future. Nothing prohibits them from going out and getting a full secondary education, merely they are required to have a 20 hour work requirement.

Rep. Tieman: A question in regards to the education and the 20 hours. If they work the 20 hours, then they can go and have that education?

Chairman Price: There is nothing stopping them from doing that right now.

Rep. Tieman: Would this amendment jeopardize that in any way?

Chairman Price: It would just mean they wouldn't have to work the 20 hours.

Rep. Cleary: I think it is a significant burden for a single parent to have to work 20 hours and then go to school too.

Chairman Price: The clerk will call the roll on passage of the amendment. 5 YES 9 NO.

Vice Chairman Devlin: I move a DO NOT PASS on SB 2414.

Rep. Dosch: Second.

Rep. Niemeier: I would resist that because I see the Senate bill the way it is now with the benefit cap language struck is the way to go, and that would help the department in their problem in adjusting the child support assignments, it would clear up that situation. There are 106 children that are being affected by the benefit cap. There has been a total of 367 in the past four years that

haven't received their benefits because of that. It hasn't led to any decrease which was some of the original rationale.

Rep. Metcalf: I feel it is important to get to our children as much as we can support in the financial area. Maybe \$50 a month doesn't mean much to us around this table, but somebody that is out there trying to make ends meet. Are we going to hold a limited amount of support to that family because there is another child to support. I am going to resist this DO NOT PASS.

Rep. Dosch: I think this has been made into an abortion issue and it really isn't. The numbers have indicated that we cannot justify one way or the other that abortions have gone up or down because of the family cap. I believe that voting to eliminate these caps we are sending the message out there that you can go ahead and do whatever you want to do and there is no consequences for your actions. I strongly disagree. They have no worries because the state will be there to take care of them. I think we are sending the wrong message out. I think if we really care about changing the trend that we have to start saying no. For those reasons I cannot support the bill.

Rep. Galvin: I would like to emphasize that there isn't anybody more antiabortion than I am. My reasons for voting for this amendment have not changed. I haven't changed by mind that this practice of paying for what I consider an immoral life style has not changed.

Rep. Sandvig: The amount of money that someone gets if they are on TANF is small. I feel like we're going to be punishing the child.

Chairman Price: By not getting the TANF benefits there food stamps and child care amount go up.

Rep. Metcalf: I really don't feel that this bill has any affect on the abortion rate. All I am concerned about is what the children are going to receive.

Page 5
House Human Services Committee
Bill/Resolution Number SB 2414A
Hearing Date March 20, 2001

Rep. Cleary: I think abortions are wrong, but I have a really hard time with saying have your baby, we don't care after that as long as you don't have an abortion.

Rep. Deylin: I think you could argue that you're not doing little children any favors by encouraging that little children should be brought into the world under those circumstances.

Rep. Sandvig: Food stamps may go up, but will not buy them diapers.

Chairman Price: The clerk will call the roll on a **DO NOT PASS as amended**.

10 YES 4 NO 0 ABSENT

CARRIED BY REP. WEISZ

10798.0103
Title.0200

Adopted by the Human Services Committee
March 20, 2001

YK
3/20/01

HOUSE AMENDMENTS TO SB 2414
Page 1, line 1, remove "and paragraph 7 of"

HOUSE HUMAN SERVICES 03/21/01

Page 1, line 2, remove "subdivision d of subsection 6 of section 50-29-04"

Page 1, line 3, remove "and children's health insurance program"

Page 1, line 4, remove "benefits"

HOUSE AMENDMENTS TO SB 2414

HOUSE HUMAN SERVICES 03/21/01

Page 4, remove lines 23 through 25

Renumber accordingly

Date: 3-20-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2414

House Human Services Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Moved to eliminate section 2

Motion Made By Rep. Devlin Seconded By Rep. Porter

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairman			Audrey Cleary		
William Devlin - V. Chairman			Ralph Metcalf		
Mark Dosch			Carol Niemeier		
Pat Galvin			Sally Sandvig		
Frank Klein					
Chet Pollert					
Todd Porter					
Wayne Tieman					
Dave Weiler					
Robin Weisz					

Total (Yes) 10 No 4

Absent _____

Floor Assignment _____

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

Date: 3-20-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2414

House Human Services Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Moved Amendment

Motion Made By Rep. Demaree Seconded By Rep. Cleary

Representatives	Yes	No	Representatives	Yes	No
Rep. Clara Sue Price, Chairman		✓	Rep. Audrey Cleary	✓	
Rep. William Devlin, V, Chairman		✓	Rep. Ralph Metcalf	✓	
Rep. Mark Dosch		✓	Rep. Carol Niemeier	✓	
Rep. Pat Galvin		✓	Rep. Sally Sandvig	✓	
Rep. Frank Klein	✓				
Rep. Chet Pollert		✓			
Rep. Todd Porter		✓			
Rep. Wayne Tieman		✓			
Rep. Dave Weiler		✓			
Rep. Robin Weisz		✓			

Total (Yes) 5 No 9

Absent _____

Floor Assignment _____

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

Date: 3-20-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2414

House Human Services Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass as amended

Motion Made By Rep. Devlin Seconded By Rep. Dosch

Representatives	Yes	No	Representatives	Yes	No
Rep. Clara Sue Price, Chairman	✓		Rep. Audrey Cleary		✓
Rep. William Devlin, V, Chairman	✓		Rep. Ralph Metcalf		✓
Rep. Mark Dosch	✓		Rep. Carol Niemeier		✓
Rep. Pat Galvin	✓		Rep. Sally Sandvig		✓
Rep. Frank Klein	✓				
Rep. Chet Pollert	✓				
Rep. Todd Porter	✓				
Rep. Wayne Tieman	✓				
Rep. Dave Weiler	✓				
Rep. Robin Weisz	✓				

Total (Yes) 10 No 4

Absent _____

Floor Assignment Rep. Weisz

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

REPORT OF STANDING COMMITTEE (410)
March 21, 2001 8:24 a.m.

Module No: HR-49-8208
Carrier: Welaz
Insert LC: 10788.0103 Title: .0200

REPORT OF STANDING COMMITTEE

SB 2414: Human Services Committee (Rep. Price, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO NOT PASS (10 YEAS, 4 NAYS, ABSENT AND NOT VOTING). SB 2414 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "and paragraph 7 of"

Page 1, line 2, remove "subdivision d of subsection 6 of section 50-29-04"

Page 1, line 3, remove "and children's health insurance program"

Page 1, line 4, remove "benefits"

Page 4, remove lines 23 through 25

Renumber accordingly

2001 TESTIMONY

SB 2414



North Dakota Right to Life Association

Testimony before the SENATE HUMAN SERVICES COMMITTEE

Regarding SENATE BILL 2414

February 7, 2001 10:15 a.m.

Chairman Lee, members of the committee, I am Stacey Pflilger, Executive Director of the North Dakota Right to Life Association. I am here today in support of SB 2414 relating to temporary assistance for needy families benefits.

The North Dakota Right to Life Association continues its strong opposition to the North Dakota "family cap" as we did during the 1997 Legislative Session. We strongly support this bill which will in effect repeal the "family cap".

There has been a lot of discussion throughout the country regarding the "family cap". Nationally, both pro-life and pro-choice groups have joined together in opposing the provision because both groups feel ultimately that women will have no choice but to abort their babies. Children's advocacy groups have claimed that it is not compassionate towards women and children. Fiscal conservatives claim that a cash benefit is an economic incentive for AFDC women to have children. The very idea that a woman would have a child for the sole purpose of receiving an added cash benefit is irrational.

Our position has always been that the "family cap" provision did one thing: Denied assistance for clothing and non-food essentials to a child whose birth occurred while the family was receiving assistance. The message: North Dakota believes it is somehow immoral for a poor family to allow their child to be born?

When New Jersey adopted a "family cap"; pre-born children paid for it with their lives. Since North Dakota adopted a "family cap", we have seen a rise in the abortion numbers and I believe that our children have too paid for it with their lives.

The "family cap" is not only leading to an increase of financially pressured abortions in North Dakota, but it is also advocating a change in attitude toward needy children. "Family caps" makes third class citizens out of babies that had no say in how they were conceived or when they were born.

It is the tenet of our organization that no just society can declare that some human beings do not deserve the protection of the law because of their race, degree of dependency on others, sex, or age. This is why we reject abortion as a legitimate solution to societal or financial problems. The "family cap" has clearly signaled a departure from the pro-life, pro-child, pro-family ethic North Dakotans take such pride in. "Family caps" makes the statement that not all babies are born equal because of when they were born and to whom they were born.

The "family cap" places sanctions on the child, not the parent. The child born under the "family cap" has been denied the only assistance currently available which provides for necessities such as diapers, baby bottles, a safety car seat, and the list goes on and on. We need to ask: What is it that this child has done that we should declare him or her less needful or deserving of clothing and other essentials than any earlier born siblings?

I strongly urge this committee to give SB 2414 a do pass recommendation.

At this time I would be available for any questions you may have.

1999 NORTH DAKOTA ABORTION STATISTICS

Total Induced Abortions in North Dakota:

1,345

Previous Abortions:

0	940
1	268
2	94
3	17
4	8
5	2
7	1
8	1
unknown	14

Woman's Education:

Grade 1-9	15
Grades 10-12	680
1-4 yrs college	602
unknown	43

Age of Woman:

Under 15	2
15-19	292
20-24	489
25-29	245
30-34	168
35-39	102
40 and over	42
unknown	5

Marital Status:

Married	268
Not Married	1,029
Unknown	48

Reported Complications:

None	1,337
Infection	4
Retained Products	2
Hemorrhage	1
Other	1

Abortions Per Year*:

1979	483
1980	833
1981	2,554
1982	3,076
1983	3,028
1984	2,872
1985	2,826
1986	2,664
1987	2,562
1988	2,221
1989	1,761
1990	1,723
1991	1,602
1992	1,493
1993	1,406
1994	1,301
1995	1,334
1996	1,291
1997	1,219
1998	1,242
1999	1,345

*Reporting was not required before 1979

Woman's Place of Residence:

North Dakota	883
Minnesota	371
South Dakota	81
Iowa	3 or Less
Wisconsin	3 or Less
Manitoba	3 or Less
Ohio	3 or Less
Pennsylvania	3 or Less
Utah	3 or Less
Unknown	3 or Less

Living Children of Aborted Women:

No Children	638
One Child	318
Two Children	255
Three Children	93
Four Children	28
Five Children	8
Six Children	2
Eight Children	1
Unknown	2

Abortions by Age of Preborn:

1-4 weeks	0
5-8 weeks	794
9-12 weeks	410
13 weeks	62
14 weeks	30
15 weeks	19
16 weeks	17
17 weeks	2
Unknown	11

By Race of Mother:

Other	25
White	1,178
Black	18
Native American	121
Unknown	3

Abortions Reported by the Fargo Women's Health Organization:

706

Abortions Reported by the Red River Valley Women's Clinic:

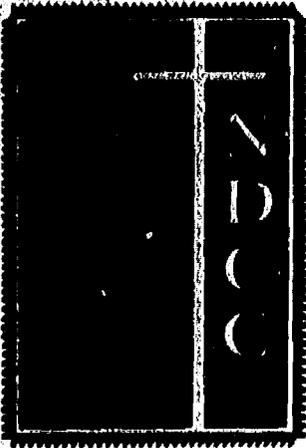
639

These statistics were received from the North Dakota Department of Health.

NOTE: These statistics have usually been available in the late spring. NDRL had to request these statistics on numerous occasions this year, finally receiving them in September. NDRL has now been informed that this information will not be available in future years until late July or possibly even August.

By North Dakota County of Residence:

Out of State	462
Adams	3 or Less
Barnes	9
Benson	4
Bottineau	7
Burleigh	118
Cass	278
Cavalier	3 or Less
Dickey	5
Divide	3 or Less
Eddy	3 or Less
Foster	7
Grand Forks	137
Griggs	3 or Less
Lamoure	3 or Less
Logan	3 or Less
McHenry	3 or Less
McKenzie	4
McLean	7
Mercer	5
Morton	30
Mountrail	8
Nelson	3 or Less
Oliver	3 or Less
Pembina	6
Pierce	3 or Less
Ramsay	16
Ransom	6
Renville	3 or Less
Richland	21
Rolette	12
Sargent	4
Sioux	6
Stark	17
Steele	3 or Less
Stutsman	37
Towner	3 or Less
Traill	4
Walsh	13
Ward	84
Williams	16



*Representing the Diocese of Fargo
and the Diocese of Bismarck*

Christopher T. Dodson
Executive Director and
General Counsel

To: Senate Human Services Committee
From: Christopher Dodson, Executive Director
Subject: Senate Bill 2414
Date: February 7, 2001

The North Dakota Catholic Conference supports Senate Bill 2414 to remove the family cap provision from the Temporary Assistance for Needy Families program and include delivery coverage in the Childrens Health Insurance program.

The North Dakota Catholic Conference opposed the family cap provision when it was enacted in 1997. The experience of the Catholic Church and pro-life organizations, as well as New Jersey's experience with the family cap, led us to believe, and still believe, that the provision encourages abortion.

There is, however, a more fundamental reason why we oppose the family cap. By discriminating against a child solely because of the circumstances of his or her conception, it violates the child's dignity and the common good. In a just and caring society we reach out a helping hand to those in need without regard for where they live, their race, who their parents are, or what their parents did. Family caps, however, punish the child for something his or her parents did, helping to perpetuate the poverty to which that child was born.

We recognize that proponents of the family cap often had a good intention, namely to reduce out-of-wedlock pregnancy. However, it is never justifiable to use a means that violates human dignity to achieve a desired good. Moreover, there is no evidence that family caps in North Dakota have reduced the rate of out-of-wedlock pregnancy. Certainly, if we want to encourage positive, self-respecting behavior by parents, we can find better ways to do it than penalizing the child.

It is for similar reasons that we support including coverage for delivery in the childrens health insurance program. If we are to build a culture of life so that no child is left behind and every child welcomed, our state programs must reflect it. A childrens health insurance program that covers most every type of procedure but not delivery places barriers to carrying the child to full term. In addition, it sends a message that the state thinks that giving birth, rather than being a blessed event that should be praised, is something that should be discouraged.

We urge a Do Pass on Senate Bill 2414.

1001 Broadway, Suite 2
Bismarck, ND 58501

(701) 223-2519
1-888-419-1237
FAX # (701) 223-6075

**TESTIMONY BEFORE THE
HOUSE HUMAN SERVICES COMMITTEE**

**REGARDING
HOUSE BILL NO. 1108**

January 15, 2001

2414

Chairman Price, members of the House Human Services Committee, my name is Blaine L. Nordwall. I am director of Economic Assistance Policy for the Department of Human Services.

House Bill 1108 reflects several modest changes in the statute under which the department administers the Temporary Assistance for Needy Families program in North Dakota. We also are requesting this Committee consider two amendments to this bill to correct a word choice and to avoid potential conflict with House Bill 1037, which this Committee heard on Wednesday, January 10. I will mention and describe these draft amendments when discussing the parts of the bill they relate to.

A short history of North Dakota welfare reform is appropriate here.

In 1995, following extensive interim study, the Legislature directed the Department of Human Services to undertake a welfare reform demonstration project called "Training, Education, Employment, and Management" (TEEM). This demonstration project was to combine benefits under the Aid to Families with Dependent Children, Fuel Assistance (Low Income Home Energy Assistance, or LIHEAP), and Food Stamp programs into a single cash payment. The program was to be administered through an electronic data system, referred to as the TEEM system, that would determine eligibility based on program rules, provide an electronically enhanced interactive assessment of each family, and afford appropriate referrals based upon those

assessments. The department secured necessary waivers and implemented the demonstration project.

North Dakota's TEEM demonstration project was barely under way when federal welfare reform came along. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) became law August 22, 1996. Under federal welfare reform, each state would receive a block grant to administer a Temporary Assistance for Needy Families (TANF) program to replace the AFDC program. States would be required to convert to the TANF program no later than July 1, 1997.

North Dakota could not long continue its demonstration project. The federal agency responsible for administering the Food Stamp Program was adamantly opposed to any extension or enlargement of the Food Stamp Program's participation in TEEM. Federal Food Stamp officials identified TEEM as a Food Stamp "cash-out" program under which recipients receive cash instead of benefits redeemable only for groceries. Federal officials had collected ample evidence to demonstrate that families able to cash out food stamps spend less on groceries than families who did not have that option. North Dakota was required to remove the Food Stamp benefit from TEEM, effective in May 1996.

In response to these circumstances, the 1997 Legislative Assembly provided extensive instructions as to the requirements for the Temporary Assistance for Needy Families program, but also left the TEEM demonstration project on the books. On July 1, 1997, when North Dakota was required to implement TANF, the department terminated the demonstration project.

With this change, both staff and clients have become accustomed to referring to the program as the TANF program. The use of the term "TEEM" lives on only as the name of the interactive electronic eligibility system. Even that use

must soon change. The system is currently undergoing revision so that it can also be used to administer Medicaid benefits to families and children. The department's long-term plans call for using that system to administer all Medicaid, TANF, Child Care, and Food Stamp benefits. We anticipate changing the name of the system to "Vision."

This history is relevant to the several portions of this bill that remove reference to the "Training, Education, Employment, and Management" program, and also that remove reference to the demonstration project.

Section 1 of the bill amends subsection 2 of section 50-01.2-00.1 to replace reference to Training, Education, Employment, and Management with reference to Temporary Assistance for Needy Families.

Sections 2 and 3 of the bill are present because North Dakota law does not currently comply with the assignment requirements of federal law. 42 U.S.C. § 608(a)(3) requires all family members who receive TANF cash assistance to assign rights of support. The existing state law requires assignment of child support, but not spousal support.

In preparing a draft to make the necessary changes, we noted that both sections 50-09-06 and 50-09-06.1 used essentially identical language to require an application for assistance and an assignment of support rights, with 50-09-06 applying generally, and 50-09-06.1 applying in foster care cases. To try and make the statutes more understandable, the amendments in Section 2 of the bill would cause section 50-09-06 to be a general section relating to applications for assistance. Section 3 would amend section 50-09-06.1 so that it is a general statute requiring assignment of support rights for any TANF family member and any child in foster care. The only substantive change is to require assignment of all support rights, rather than only child support rights.

Section 4 of the bill amends subsection 1 of section 50-09-29. This subsection contains the state statutory requirements for administration of the TANF program. Section 4 is also the section to which all draft amendments to this bill pertain.

Page 3, lines 4 and 5 of the bill, would remove a reference to "Training, Education, Employment, and Management."

Page 3, lines 12 and 13, proposes an exemption for victims of domestic violence. Our first draft amendment, Attachment A, would remove that language. This Committee has before it House Bill 1037, which deals more comprehensively with the TANF program's response to domestic violence. The action taken on House Bill 1037 will guide the department's policy in this matter, so we believe the domestic violence language may be appropriately deleted from this bill.

Page 3, lines 26 through 28, would remove existing language in subdivision g, which required the department to seek approval of federal officials to use a "simplified Food Stamp program" to provide food stamp benefits to eligible TANF households. Federal requirements imposed with respect to the "simplified Food Stamp program" made its implementation anything but simple. As a result, the only state in the nation that was able to use that provision to any real purpose was Arkansas. The issue became moot when federal policy changed to allow more TANF program beneficiaries to become automatically eligible for Food Stamps.

Page 4, lines 11 through 13, would remove language that requires North Dakota to impose a shorter lifetime limit than 60 months if a TANF applicant came to North Dakota from a state that imposed a shorter lifetime limit. The United States Supreme Court declared a similar California law unconstitutional

as an impediment on freedom to travel from state to state. We have been advised by the North Dakota Attorney General that this law would not withstand a similar challenge. We have never actually had occasion to apply this law.

Page 4, lines 20 through 22, would replace a reference to "Training, Education, Employment, and Management" with "Temporary Assistance for Needy Families," and would remove reference to a required effective date already past.

Page 4, lines 26 through 28, would change the details of the instruction for determining unemployment rates in Indian country. The unemployment data provided by Job Service North Dakota does not, and as a practical matter cannot, be associated only with Indian reservation lands, particularly in Rolette County, where a checkerboard of trust lands exists. These changes would provide for county-by-county employment data.

Page 5, lines 4 and 5, would remove language that allows us to approve, as work activities, only those activities that count in calculating federal work participation rates.

The current law was written at a time when the legislature foresaw great difficulty in meeting federally imposed work participation rates of 30% of the adult caseload in 1996, to 50% of the adult caseload in 2002. However, the federal work participation rate requirements allowed credit for caseload reduction. Because of substantial caseload reduction, North Dakota's "real" work participation rate requirement for federal fiscal year 2001 is approximately one percent.

The consequence of allowing only limited work activities has not been to assure compliance with federal work participation rate requirements. Rather, it has been to limit the types of activities in which hard-to-serve TANF participants may engage. By removing this narrow limit, we would be able to treat, as a work activity, virtually any activity that constructively moves a person in the direction of work preparedness. Examples might include participation in mental health services for a depressed individual, participation in services provided by a domestic violence organization for a victim of domestic violence, language activities for refugees, GED studies for individuals above age 20, or drug and alcohol treatment.

Page 5, lines 6, 8, and 15, would remove the requirement that sanctions for non-cooperation be "progressive." Progressive sanctions involve starting with a warning, continuing through reduction of the grant to eliminate the non-cooperating adults' portion, and eventually providing no grant at all. We have two reasons to be concerned about progressive sanctions. First, some TANF household members are immediately adamant in their refusal to cooperate. In such cases, there is no good reason not to immediately impose the sanction of termination of assistance. Secondly, we are discovering that a large number of sanctioned participants actually don't know or understand what conduct is required of them for cooperation. This is the case in spite of our provision of carefully worded explanations of the reason for each sanction. We believe that some of these individuals are not really capable of understanding the written notices and others are essentially incapable of undertaking the tasks asked of them. We hope, through pilot projects that rely upon local knowledge and local efforts, to secure household participation and cooperation not through the use of sanctions, but through more constructive methods.

Page 5, lines 20 and 21, would replace "Training, Education, Employment, and Management" with "Temporary Assistance for Needy Families," and would remove a reference to an effective date already past.

Page 5, lines 23 through 25. This change would remove language that requires the department to seek the approval of the Secretary of Health and Human Services to develop and use a single application form. The Secretary of Health and Human Services does not have authority to provide such an approval with respect to the TANF program. And, in her duties with respect to the Medicaid program, the Secretary pressures states to develop separate and specialized application forms for different Medicaid groups. Because we are confident the Secretary can never approve such a request, we recommend deletion of the requirement.

Page 5, line 26, removes a reference to an effective date already past. The Committee may also want to consider an amendment that would actually delete all of the subdivision found at page 5, lines 26 through 30, because of an Indiana federal court decision.

This subdivision provides that the TANF assistance amount would not ordinarily increase when a child is born to a recipient who was receiving cash assistance when she became pregnant. This is referred to as a "benefit cap." As the department indicated to the 1997 legislature, we implemented this requirement by treating benefit cap cases exactly as all other TANF cases, except the assistance amount would not increase upon the child's birth. One thing that meant was the automatic assignment of any child support that the child might receive. Indiana did the same thing, and the federal court determined that the required assignment of child support amounted to a taking of private property for public purposes without just compensation, all in violation of the United States Constitution. This provision has been in effect

since July 1, 1998, and has since affected 267 individuals. We have collected and retained \$6,959 in assigned child support between July 1, 1998 and December 31, 2000. Only 59 of the 267 benefit cap children have established child support orders, and only 25 of those cases show any collections. However, one of those cases illustrates the problem. We collected \$680 in child support over six months, retained it all, and provided no additional TANF benefits to the family.

We have calculated the cost to change the TEEM system to eliminate the assignment. We have also calculated the cost to change the TEEM system to eliminate the benefit cap requirement. Elimination of the benefit cap requirement is substantially less. Our cost estimates for system revisions to remove the assignment are \$99,687. System revision costs to remove the benefit cap are only \$42,957. Of course, if North Dakota makes neither change and is some day subject to a court order similar to that imposed on the Indiana program, we would likely be faced with the cost of system revisions and also the cost of retroactively restoring the assigned and collected child support, and likely substantial litigation costs. If this Committee wishes to use House Bill 1108 as a means of addressing this concern, some additional amendments to Section 3 of the bill would be necessary to remove the assignment, or to Section 4 of the bill to remove the benefit cap.

Page 6, lines 14 through 16, specifically are intended to authorize demonstration projects such that TANF benefits and services might be different in one part of the state than another. The provision of services and benefits under TANF is not required by federal law to be uniform throughout a state. For instance, a planned pilot to provide Job Opportunities and Basic Skills (JOBS) program services to unemployed non-custodial parents who have not paid required child support is reasonable. Providing those services

statewide without first learning about the difficulties or advantages is not reasonable.

On page 6, line 15, the word "Identified" should be "Identical." The request is for authority to provide benefits and services that are not identical throughout the state. Attachment B is a draft amendment to change "Identified" to "Identical."

Section 5 of the bill would repeal sections 50-06-01.8, which originally authorized the TEEM demonstration project, and 50-09-26, which described the transition from AFDC to TANF. Copies of those sections are attached as Attachments C and D.

I'll try to answer any questions the Committee may have.

Presented by:

Blaine L. Nordwall
Director, Economic Assistance Policy
ND Department of Human Services

Prepared by the North Dakota
Department of Human Services
1/11/01

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1108

Page 3, line 12, remove "domestic violence perpetrated against a"

Page 3, line 13, remove "parent."

Renumber accordingly

Prepared by the North Dakota
Department of Human Services
1/10/01

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1108

Page 6, line 15, replace "identified" with "identical"

Renumber accordingly

DEPARTMENT OF HUMAN SERVICES

50-06-01.8

50-06-01.8. Department to seek waiver to establish training, education, employment, and management program — Waiver may be terminated — Program characteristics — Cooperation with governmental bodies — Interim rulemaking.

1. The department of human services shall seek, from appropriate federal officials, authorization to establish a demonstration project to combine the benefits provided under the state's aid to families with dependent children, temporary assistance for needy families, fuel assistance, and food stamp programs, pursuant to title IV-A of the Social Security Act, as enacted before August 22, 1996 [42 U.S.C. 601 et seq.], title IV-A of the Social Security Act, as enacted August 22, 1996 [42 U.S.C. 601 et seq.], the low-income home energy assistance program [42 U.S.C. 8621-8629], and the Food Stamp Act [7 U.S.C. 2011-2027].
2. Subject to the approval of the legislative council, the department of human services may terminate any waiver secured under subsection 1, or the demonstration project described in subsection 1, if necessary or desirable for the statewide implementation of the training, education, employment, and management program, or otherwise.
3. The training, education, employment, and management program established under this section must provide for uniform and consistent treatment of income and assets in determining eligibility; provide for the creation of a uniform method of budgeting and computing benefits, a consistent certification period for the receipt of benefits, and uniform reporting requirements; provide for necessary child care to allow a participant to meet educational and employment goals; and provide for universal employment and training to assist individuals in becoming self-sufficient. The training, education, employment, and management program may be administered notwithstanding the requirements of section 50-01.2-03, subsections 17 and 19 of section 50-06-05.1, chapter 50-09, and section 50-11.1-11.1, relating to the administration of the temporary assistance for needy families, fuel assistance, and food stamp programs. The training, education, employment, and management program may require any participant to cooperate with child support enforcement efforts.
4. The department of economic development and finance, job service North Dakota, county social service boards, and any other state agency determined appropriate shall cooperate with the department to ensure the success of the program. Local government agencies are encouraged to cooperate with the department.
5. Rules adopted to implement the demonstration project may be adopted as interim final rules without a finding that emergency rulemaking is necessary, and the interim final rules may take effect on a date no earlier than the date of filing with the legislative council of the notice of proposed adoption of a rule required by subsection 4 of section 25-32-02.

Sources: S.L. 1996, ch. 400, § 1; 1997, ch. 51, § 37; 1997, ch. 404, §§ 51, 52; 1999, ch. 50, § 03.

section 03 of chapter 50, S.L. 1999 became effective August 1, 1999.

Effective Date.

The 1999 amendment of this section by

50-06-26. Transition to training, education, employment, and management program. In counties in which a demonstration project established under section 50-06-01.8 is operating, the state agency shall supervise and direct county administration of temporary assistance to needy families, in the form of the training, education, employment, and management program. In all other counties, the state agency shall supervise and direct county administration of temporary assistance to needy families, substantially in the form of the aid to families with dependent children program established under 42 U.S.C. 601 et seq., as amended before August 22, 1996 [49 Stat. 627 et seq.], provided that the requirements of 42 U.S.C. 601 et seq., as amended by section 103 of Pub. L. 104-193, 110 Stat. 2112 et seq., as amended, are met. Beginning January 1, 1998, the state agency shall convert temporary assistance to needy families cases, previously administered substantially in the form of aid to families with dependent children cases, to administration in the form of the training, education, employment, and management program. After July 1, 1998, or as soon thereafter as may be feasible, the state agency shall supervise and direct county administration of all temporary assistance to needy families in the form of the training, education, employment, and management program.

Source: S.L. 1997, ch. 404, § 73.

SB 2414

**TESTIMONY BEFORE THE
SENATE APPROPRIATIONS COMMITTEE
REGARDING SENATE BILL NO. 2414
FEBRUARY 13, 2001**

Chairman Nething and members of the Senate Appropriations Committee, for the record, my name is John Hougen, Director of Public Assistance for the Department of Human Services. I am here to provide information on Senate Bill 2414. The cost it would take to implement this bill is not in the Governor's Budget and I will explain the associated costs.

The benefit cap was put into law during the 1997 legislative session and implemented on July 1, 1998. For any TANF recipient who conceives a child during a month she received a TANF grant, the grant would not be increased when that child is born.

Since implementation there have been 367 children born who have been affected by the benefit cap. For purposes of the fiscal note, the last six months were reviewed and the average number of benefit cap children was 186 per month. The average amount a TANF grant is not increased for a benefit cap child is \$93 per month. If this bill is enacted the average grant for TANF would increase by this amount. Food Stamp benefits to families would decrease by an average of \$28 a month because the TANF grant is counted to determine the Food Stamp benefit. There would be approximately 78 families that would have an average decrease in the amount of Low Energy Heating Assistance of \$240 a year. Tribal governments have separate heating assistance programs, so the remaining 108 benefit cap children on reservations would not have a fiscal impact on the state program.

The TANF eligibility system would also have to be changed to remove the benefit cap rules. This cost would be \$42,957.

While I am not testifying on the CHIP portion of this bill, there is a cost of \$70,625 in the fiscal note for the change in coverage.

The total fiscal note when all these factors are considered is \$320,326.

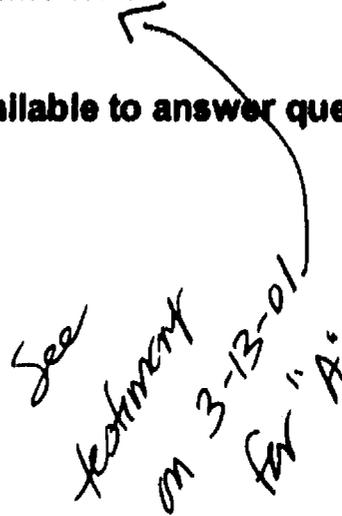
Based on questions from the Senate Human Service Committee, a Benefit Cap Fact Sheet has been included as Attachment A.

This ends my formal testimony and I am available to answer questions.

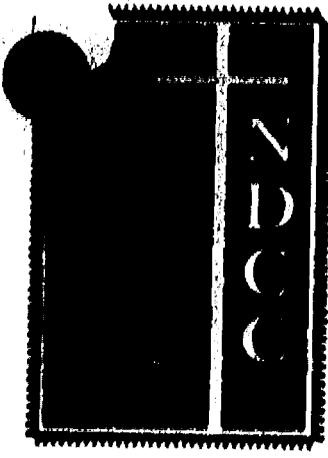
Presented by:

John Hougen
Director, Public Assistance
ND Department of Human Services

*See
testimony
on 3-13-01
for "A"*



513 2414



*Representing the Diocese of Fargo
and the Diocese of Bismarck*

Christopher T. Dodson
Executive Director and
General Counsel

To: Senate Appropriations Committee
From: Christopher Dodson, Executive Director
Subject: Senate Bill 2414
Date: February 13, 2001

The North Dakota Catholic Conference supports Senate Bill 2414 to remove the family cap provision from the Temporary Assistance for Needy Families program and include delivery coverage in the Childrens Health Insurance program. The North Dakota Catholic Conference opposed the family cap provision when it was enacted in 1997. The experience of the Catholic Church and pro-life organizations, as well as New Jersey's experience with the family cap, led us to believe, and still believe, that the provision encourages abortion.

There is, however, a more fundamental reason why we oppose the family cap. By discriminating against a child solely because of the circumstances of his or her conception, it violates the child's dignity and the common good. In a just and caring society we reach out a helping hand to those in need without regard for where they live, their race, who their parents are, or what their parents did. Family caps, however, punish the child for something his or her parents did, helping to perpetuate the poverty to which that child was born.

We recognize that proponents of the family cap often had a good intention, namely to reduce out-of-wedlock pregnancy. However, it is never justifiable to use a means that violates human dignity to achieve a desired good. Moreover, there is no evidence that family caps in North Dakota have reduced the rate of out-of-wedlock pregnancy. Indeed, the Department's numbers indicate that the number of out-of-wedlock births to women on assistance has not declined since the family cap was implemented. Certainly, if we want to encourage positive, self-respecting behavior by parents, we can find better ways to do it than penalizing the child.

It is for similar reasons that we support including coverage for delivery in the childrens health insurance program. If we are to build a culture of life so that no child is left behind and every child welcomed, our state programs must reflect it. A childrens health insurance program that covers most every type of procedure, but not delivery, places barriers to carrying the child to full term. In addition, it sends a message that the state thinks that giving birth, rather than being a blessed event that should be praised, is something that should be discouraged.

We urge a Do Pass on Senate Bill 2414.

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**TESTIMONY BEFORE THE
HOUSE HUMAN SERVICES COMMITTEE
REGARDING SENATE BILL NO. 2414
MARCH 13, 2001**

Chairman Price and members of the House Human Services Committee, for the record, my name is John Hougen, Director of Public Assistance for the Department of Human Services. I am here to provide information on Senate Bill 2414. The Department is taking a neutral stance on this bill.

The benefit cap was put into law during the 1997 legislative session and implemented on July 1, 1998. For any TANF recipient who conceived a child during a month she received a TANF grant, the grant would not be increased.

Since implementation there have been 367 children born who have been affected by the benefit cap. For purposes of the fiscal note attached to this bill, the last six months were reviewed and the average number of benefit cap children was 186 per month. The average amount a TANF grant is not increased for a benefit cap child is \$93 per month. If this bill is enacted the average grant for TANF benefit cap cases would increase by this amount. Food Stamp benefits to families would decrease by an average of \$28 a month because the TANF grant is counted to determine the Food Stamp benefit. There would be approximately 78 families that would have an average decrease in the amount of Low Energy Heating Assistance of \$249 a year. Tribal governments have separate heating assistance programs, so the remaining 108 benefit cap children on reservations would not have a fiscal impact on the state program.

The TANF eligibility system would also have to be changed to remove the benefit cap rules. This cost would be \$42,957.

A CHIP portion of this bill would pay for child delivery costs for minor children in CHIPS households. A cost of \$70,625 is in the fiscal note for this change in coverage.

The total fiscal note when all these factors are considered is \$320,326.

Based on questions from the Senate Human Service Committee, a Benefit Cap Fact Sheet has been included as Attachment A.

This ends my formal testimony and I am available to answer questions.

Presented by:

**John Hougen
Director, Public Assistance
ND Department of Human Services**

BENEFIT CAP FACT SHEET

(All data based on first three quarters of federal fiscal year 2000)

Average size of TANF household	2.71
Average size of Benefit Cap household	4.02
Percentage of families with more than One Benefit Cap child	8.70

Families affected by benefit cap	3-person family	4-person family	5-person family	6-person family or more
130	53 (41%)*	36 (28%)	18 (14%)	17 (13%)
Average monthly caseload				
2,887	691 (24%)**	383 (13%)	173 (6%)	127 (4%)

* Percentage based on proportion of Benefit Cap families

** Percentage based on proportion of total caseload

Average monthly cash benefit for all non benefit cap families	3-person family	4-person family	5-person family	6-person family or more
\$342	\$369	\$435	\$510	\$640
Average monthly cash benefit for benefit cap families				
\$416	\$332	\$411	\$511	\$645
Increase if benefit cap child put back in grant	\$92	\$93	\$93	\$93

Distribution of 180 Benefit Cap families in December, 2000

Benson 11 (6%)	Burleigh 14 (8%)	Cass 8 (4%)	Dickey 1 (1%)
Grand Forks 10 (6%)	McKenzie 4 (2%)	McLean 3 (2%)	Morton 5 (3%)
Mountrail 7 (4%)	Ramsey 1 (1%)	Rolette 89 (49%)	Sioux 8 (4%)
Stark 1 (1%)	Stutsman 2 (1%)	Ward 14 (8%)	Williams 2(1%)



North Dakota Right to Life Association

Testimony before the HOUSE HUMAN SERVICES COMMITTEE

Regarding SENATE BILL 2414

March 13, 2001 8:30 a.m.

Chairman Price, members of the committee, I am Stacey Pflieger, Executive Director of the North Dakota Right to Life Association. I am here today in support of SB 2414 relating to temporary assistance for needy families benefits.

The North Dakota Right to Life Association continues its strong opposition to the North Dakota "family cap"¹ as we did during the 1997 Legislative Session. We strongly support this bill which will repeal the provision.

There has been a lot of discussion throughout the country regarding this issue. Nationally, both pro-life and pro-choice groups have joined together in opposing the provision because both groups feel ultimately that women will have no choice but to abort their babies. Children's advocacy groups have claimed that it is not compassionate towards women and children. Fiscal conservatives claim that a cash benefit is an economic incentive for AFDC women to have children, but the very idea that a woman would conceive a child for the sole purpose of receiving an added cash benefit is irrational.

Our position has always been that this provision did one thing: Denied assistance for clothing and non-food essentials to a child whose conception occurred while the family was receiving assistance. The message: North Dakota believes it is somehow immoral for a poor family to allow their child to be born.

When New Jersey adopted this provision; pre-born children paid for it with their lives. Since North Dakota adopted the provision we have seen a rise in the abortion numbers. We believe that our children have too paid for it with their lives. *This provision may not be the only reason for the rise in abortions in North Dakota, but we*

believe it is certainly a contributing factor. We believe it is leading to an increase of financially pressured abortions in North Dakota and is advocating a change in attitude toward needy children. This provision makes third class citizens out of babies that had no say in how they were conceived or when they were born.

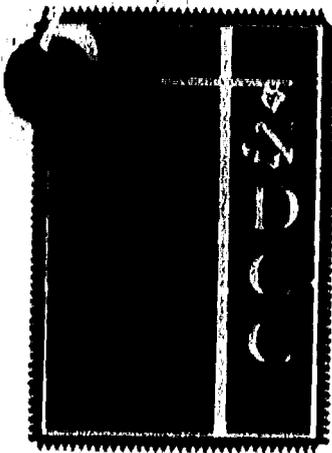
It is the tenet of our organization that no just society can declare that some human beings do not deserve the protection of the law because of their race, degree of dependency on others, sex, or age. This is why we reject abortion as a legitimate solution to societal or financial problems. This provision has clearly signaled a departure from the pro-life, pro-child, pro-family ethic North Dakotans take such pride in. It makes the statement that not all babies are born equal because of when they were born and to whom they were born.

This provision places sanctions on the child, not the parent. The child born under this provision has been denied assistance which provides for necessities such as diapers, baby bottles, a safety car seat, and the list goes on and on. We need to ask: What is it that this child has done that we should declare him or her less needful or deserving of clothing and other essentials than any earlier born siblings?

I strongly urge this committee to give SB 2414 a do pass recommendation.

At this time I would be available for any questions you may have.

¹ This term is also known as a "benefit cap" or "cash cap". None of these terms are found in SB 2414; however, all three terms are used to describe the language found in lines 5 through 9 on page 4 of SB 2414.



*Representing the Diocese of Fargo
and the Diocese of Bismarck*

Christopher T. Dodson
Executive Director and
General Counsel

To: House Human Services Committee
From: Christopher Dodson, Executive Director
Subject: Senate Bill 2414
Date: March 13, 2001

The North Dakota Catholic Conference supports Senate Bill 2414 to remove the "cap"¹ provision from the Temporary Assistance for Needy Families program and include delivery coverage in the Childrens Health Insurance program.

The North Dakota Catholic Conference opposed the cap provision when it was enacted in 1997. The experience of the Catholic Church and pro-life organizations, as well as New Jersey's experience with the cap, led us to believe, and still believe, that the provision encourages abortion.

There is, however, a more fundamental reason why we oppose the family cap. By discriminating against a child solely because of the circumstances of his or her conception, it violates the child's dignity and the common good. In a just and caring society we reach out a helping hand to those in need without regard for where they live, their race, who their parents are, or what their parents did. Family caps, however, punish the child for something his or her parents did, helping to perpetuate the poverty to which that child was born.

We recognize that proponents of the family cap often had a good intention, namely to reduce out-of-wedlock pregnancy. However, it is never justifiable to use a means that violates human dignity to achieve a desired good. Moreover, there is no evidence that family caps in North Dakota have reduced the rate of out-of-wedlock pregnancy. Certainly, if we want to encourage positive, self-respecting behavior by parents, we can find better ways to do it than penalizing the child.

¹ The provision is sometimes called a "family cap," "child exclusion," or "benefit cap." The original supporters of the policy coined and preferred the phrase "family cap," because it reflected their stated purpose to "limit reproduction" by persons on assistance. See, e.g. *C.K. v. Shalala*, 883 F.Supp. 991, 999, and 95 Colum. L.Rev. 2156 at 2176. Opponents, which included pro-life and women's organizations, preferred the phrase "child exclusion." Nevertheless, "family cap" became the accepted terminology by the courts, academic literature, and Congress.

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House Human Services Committee
Page 2
March 13, 2001

Some have argued that the purpose was merely to reflect the working world where employees do not get pay increases because of new children. Economic assistance, however, was never meant to be an identical replacement for work, as our policies on other forms of assistance demonstrate. Moreover, there are other financial benefits to having children, especially in the area of taxes, that are available to most working families.

It is for similar reasons that we support including coverage for delivery in the childrens health insurance program. If we are to build a culture of life so that no child is left behind and every child welcomed, our state programs must reflect it. A childrens health insurance program that covers most every type of procedure, but not delivery, places barriers to carrying the child to full term. In addition, it sends a message that the state thinks that giving birth, rather than being a blessed event that should be praised, is something that should be discouraged.

We urge a **Do Pass** on Senate Bill 2414

**House Human Services Committee
Testimony of Senator Tim Mathern, March 13, 2001**

Madam Chairman Price, Vice Chairman Devlin and Members of the House Human Service Committee. My name is Tim Mathern. I am the Senator from District 11 in Fargo. Thank you for taking the time today to talk about assistance for low income families as noted in **SB 2414**.

Senate Bill 2414 is a bill that makes minor changes to our TANF (temporary assistance to needy families) and CHIPS (children's health insurance program) programs. Section One is mostly old language but on page 4 the bill deletes the TANF policy often referred to as the "family cap". The family cap is the policy to deny additional assistance if a woman gets pregnant while receiving financial assistance. Section Two makes a change in the CHIPS program to provide coverage for delivery service for a CHIPS eligible child. Passage of this provision would clarify that both prenatal care and medical delivery expenses are covered.

Though the bill is simple I understand that the issues are not simple and the costs involved are not insignificant. I ask you to consider this public policy matter from a long term perspective and support the changes suggested by the bill.

Support for this bill is warranted because the family cap has not met our policy objectives. The Department of Human Services has data to show that the number of pregnancies actually increased more while the cap was in place then during the time when no cap was in place. The cap has also raised constitutional issues regarding the manner in which child support is handled in such cases. You may recall from other hearings that it is viewed by an Indiana court as an illegal taking. Essentially we passed the cap in 1997 hoping for a certain outcome, we have learned that we can do without the cap and now is the time to eliminate it.

I also introduced the bill because our policy suggests we are not supportive of the last child conceived in a family. I do not believe that is our intent but the family cap comes off that way. We must be careful so that we do not punish children for the decisions of their parents.

Another reason for this bill is because the cap may lead to increased number of abortions in our state. The abortion rate has increased 8% from 1998 to 1999 in North Dakota. Though no specific studies have been done to determine the actual causes of that in North Dakota it may relate to the cap. Others will testify that the family cap has caused an increase in other states. Regardless of the cause we must do what we can to assure the increase is not due to our policies in TANF. Repealing the cap helps provide that assurance.

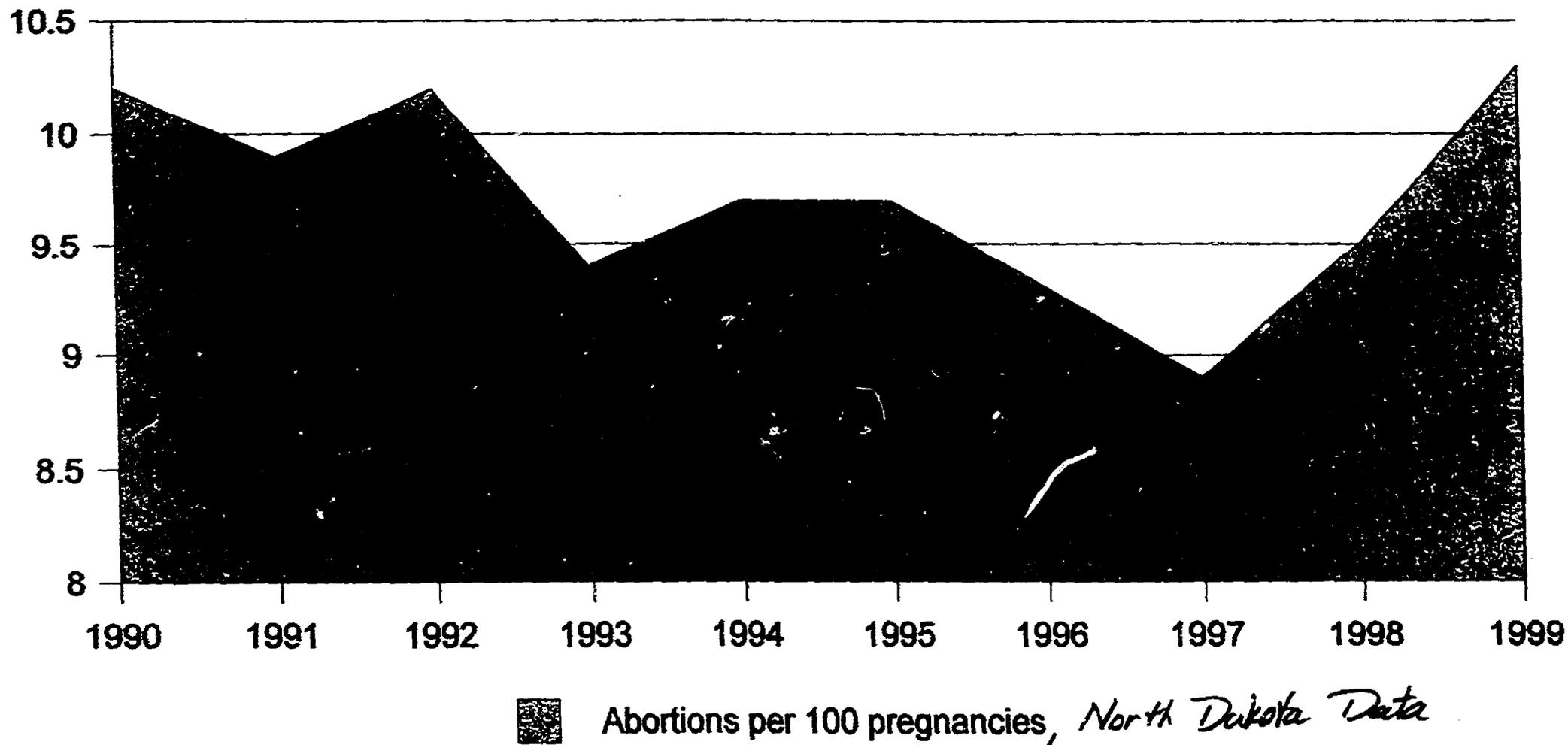
The Department of Human Services has information about the costs involved in such a change and no doubt will testify to those figures. In summary the deletion of the cap increases a monthly payment of about \$95 dollars but also reduces payments in other programs therefor netting about \$45 per month. This increase is not only small but needed even if another child was not involved because we have not made any TANF increases in the past few years.

Thank you for your consideration and attention to this matter. We passed the bill in the Senate with bipartisan support. I know others are here to testify but I stand ready to answer your questions. I ask you to recommend a Do Pass on SB 2414 to the House so that this bill will move on to Governor Hoeven for his consideration. Thank you again.

Tim Mathern
2-13-2001

Abortion Choice Percent

Rate at a Ten-Year High



513 2414