2017 SENATE APPROPRIATIONS

SB 2004

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004 and SB 2064
1/12/2017
Job # 26834

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes:

1.Testimony (Arvy Smith)
2.Financial Attachments
3.SW District Health Unit
4.Oilfield Impacts-Environmental Health Section
5.American Heart Association
6.ND Veterinary Medical Association
7.ND Stockmen's Association
8.ND Emergency Medical Services Association

Chairman Holmberg called the Committee to order on SB 2004 & 2064. Roll call was taken. All committee members were present. Becky J. Keller, OMB and Sheila M. Sandness, OMB were also present. 2004 is the base budget for the Department of Health (NDDoH). SB 2064 is the executive recommendation. The subcommittee for this bill is Senator Kilzer, Chairman, Senator Gary Lee and Senator Mathern.

3:18-15:47 Arvy Smith, Acting Co-Director State Health Officer testified in favor of SB 2004 and provided Testimony attached # 1. Which states the Mission of the NDDoH to protect and enhance the health and safety of all North Dakotans and the environment in which we live. And Testimony attached # 2 - Financial Attachments. She then introduced members of her staff. She stated that as she gives her written testimony the Senators may want to refer to the Financial Attachments for each section. She continued her testimony on page 3 (**7.39)** Soon that Disease Control area will manage our marijuana program amongst other programs. Our role is organizing food services for law enforcement at the protest site. Through the state medical cache, **11.50** looking at public health concerns we need to know the status of health across the state on page 5 Chart. On page 6 - a Leading Causes of Death by Age – chart showing causes of death in ND 2013-2014. On page 7, the chart shows the estimated number of annual deaths by "Real Cause" top is tobacco use. Recent Public Health Efforts. Response to Dakota Access Pipe Line (DAPL); Environmental energy issues; Implementation of the medical marijuana program; we will be following legislation coming through this body. What is included in the budget may go up or down significantly depending upon on that legislation.

Chairman Holmberg: The fact that it passed in November 8 is it the law of the land and is it operating? Is medical marijuana operating even though it is the law of the land?

15.58 Ms. Arvy Smith: Laws passed by the voters become law 30 days after the passage the law is in effect. We have not implemented yet, we have not rolled out application and registration yet. We are working internally for registration and etc. There are many problems with the law that was passed, so we are waiting and generating many changes to correct those forms. Here are a couple of examples so you have a feel for this;(16.57) there was a lot of hands in the language, we have duplicating conflicting language in the middle of the law. One case they pulled out Delaware Administrative rules, there were cases where they cited Delaware law; the 3rd thing, voters need to be concerned about, we have persons calling (18.00) saying this law passed that says I can grow my own marijuana, you just need to get me an application and a card and I should use this. If we were to do that right now there is no language in the law, if you carry a card and if you are following these laws you cannot be arrested or prosecuted and we call that decriminalizing language. That is not in there. It is not in North Dakota 's laws but other states' laws and that was a concern brought forth by our attorneys. So as it stands right now if we did implement they could be arrested and it would up to them to fight the case as to whether they should be or not because that law passed. So you probably saw 2154 that was coming out to suspend the application process, until legislation is passed or July 31, 2017 whichever comes first.

Chairman Holmberg: Of course all of the tweaks that most would agree have to occur, require 2/3 vote in the legislature. It has to be a consensus.

19.08 Ms. Arvy Smith: In an addition to the corrections, safety issue with that program. Moving on to Data use **19.55** accreditation; public health/primary Care Integration.

Now we turn to the budget information, in Testimony attached # 2. Attachment A – Base Level Budget; Attachment # B – Budget Allotment. She moved to Attachment # D - 2017-19 90% General Fund Request in #2 testimony. HB1088 has been introduced to bless data base response and remediation costs for state agencies. **29.31**

2017-19 Executive Budget Attachment # E if you look at Attachment E, you've got two rows of that, so it duplicates the top and then it runs into the bottom, so the upper left starts with our base level budget, and then the requested budget that we have submitted, and then it follows the individual adjustments made to get to our recommended amount continued in SB 2064 **33.10**. The next few items in our handout are pie charts Attachment # F, G, H and I showing the percentages of our budget by funding source, spending category, section by dollar amount and section by number of FTE. Ms. Arvy continued reading from Testimony attached # 1 on page 12 regarding Community Health and the Environmental Health. Salaries and Wages – **35.43** Operating Expenses and Capital assets and bond payments.

36.21 Chairman Holmberg: A couple of years ago, 2 sessions ago, there was a movement to pay off all the bonds, and they found with the penalties it was much easier to pay off the bonds. We haven't bonded for 5 sessions. We will continue to pay them on schedule because it's cheaper.

37.12 Ms. Arvy Smith: Continued with Grants on page 13 in Testimony attached # 1. One-time funding included in SB 2064. We are learning more as we are developing the medical marijuana, since we put the budget, there are some changes, the industry tract to track seeds of sale, they bar code each plant and all the inventory, so law enforcement can look up, to make sure that a person with a card is a valid card holder. We are finding out those systems already exist, so that is good news. Numbers are changing, estimating their revenue is very difficult, it makes me nervous what other states are doing, 0.6 to 1000 population to 15.7 to 1000 population. That is a big range to have to budget in so we looked at various factors and we if we budget more at about 5 per 1000 population, we get an estimate of 3800 patients in ND, it will depend on what kind of legislation passes as well it seems.

42.00 Senator Robinson: Is it safe to assume (**42.12**) in terms of medical marijuana implementation issue, we haven't heard the attorney general budget yet, but there are as many issues of law enforcement as they are with you in the department, regarding the implementation?

42.23 Ms.Arvy Smith: When we first put the fiscal note together, the measure or law as written, allows patients and caregivers thousands of them to grow marijuana across the state. That is a key component that adds additional costs for us. The State Health Department, state and local law enforcement and the Attorney General's office, all of those designated characters that is growing and selling has to have back ground checks. That will impact BCI and attorney general's office. If that factor goes away, you can see the significant impact that has on our regulation and enforcement cost as well as state and local law enforcement and BCI. When we pull the trigger and have applications and registrations come in to allow people across the state that puts additional funding on local and state government and I don't have a medical marijuana program appropriated at this time in this current biennium. So that is something we have been struggling with as well, if they have the authority to pull that trigger and obligate funding across the state to address this.

44.05 Chairman Holmberg: You certainly have challenges in that area as Senator Robinson as does the legislature, as far putting this altogether. A Latin phrase "A voice of the people is a voice of God" so we will get something out there, hopefully it will work all together. I would guess it would be appropriate for this body to put together some mechanism, a continuing study in the interim, so we can be advised that we can be kept apprised in the Legislative Assembly, as to whether what is happening and how it working out.

45.01 Senator Wanzek: Who would the growers most likely be? Would it be the ones that would have legal right to utilize it or would it be commercial growers, or are there any opportunities for North Dakota farmers?

45. 26 Ms. Arvy Smith: The law that was passed allows both large compassion centers to grow and sell marijuana, but it also allows there is a provision for qualifying patients who carry a card and there is an allowance for designated care givers who can have up to 5 patients including themselves and can grow marijuana for those patients or individual patients can grow their own.

45:53 Chairman Holmberg: How long does it take and where do you get your seeds or is that something you have to work on as a Health Department?

46.35 Ms. Arvy Smith: The first issue we struggled with how does the first legal seed get into the state, because you cannot transport across borders because it's a federally illegally controlled substance. We have asked all the other states, many other states how they've dealt with that, and it's pretty much of a turn your back, it's amazing how it magically appears. That's the only way that to dealt with. You had asked about how to get it. To full maturity your hearing up to 9 months for a plant to get from seedling to full maturity. But, those with the ability to harvest earlier like within 3 months or so, less mature plant, when they begin selling them even.

47.38 V. Chairman Bowman: Is there going to be fines for people that go into it for the wrong reason? Do you follow me?

47.52 Ms. Arvy Smith: There are some fines that were included in the original language and we did after looking at NCXL model, we did add additional fines for other types of behavior like for example a physician has ownership in the Compassion Center and that type of thing, ethical. Also, there is a requirement to report to the legislature certain items, so I don't know if you want to expand on that or whatever, but there is required according to the legislature in there.

48.28 Chairman Holmberg: We might look at a committee that really monitors it. Or designate a committee during Interim, and be a siphoning of the information and also in a joint committee.

48.53 Ms. Arvy Smith: Federal Funding Changes on page 14. Administrative Support Section; Medical Services Section; Community Health Section; Environmental Health Section and Emergency Prepared and Response Section This concludes my portion of testimony. **53.37**

53.37 Chairman Holmberg: Do we have folks here that would like to give testimony on this first half of presentation.

54.37 Sherry Adams, Executive Officer for Southwestern District Health Unit testified in favor of SB 204 and 2064 and provided Testimony attached # 3– information regarding public health units and the current state aid funding. We are hoping to maintain the funding we have. I am just one Health Unit, there are 21 in the state.

58.56 Chairman Holmberg: In your experience in having worked in public health do you think, if the amount of money that is going to be available in this budget is less that the CDC recommendation would it not be true that the Legislature then would have to pass a change in law which now says, 'that we to spend x and follow the CDC recommendation' so it's bigger than just this bill and bigger than just the dollar amounts that might be moved around?

59.35 Ms. Adams: You are exactly right. When you decrease the funding that much and lose staff in some areas across the state, you will see a decrease in what we can offer, which is going to see an increase in what's happening is you're going to go backwards I think. And again we will not be at the level that is required.

1.00.08 Senator Kilzer: Do you have an annual budget or biannual budget? **Ms. Adams** replied, we have an annual budget. **Senator Kilzer**: What percentage of your budget comes through the State Health Department? I know a lot of things are federal funds that pass through the state.

Ms. Adams: Our budget runs about 4M. what we get for state aid and that's per year, is about not $300,000 biennium. So we get about $150,000 for state aid. Right now with the Tobacco program we get an additional $85,000 a year for welcome program and then we get another additional $170,000. So that $250,000 we get from the Tobacco program per year. So it's probably about 300x right now with the tobacco program we get about 250,00 for the tobacco program per year. **Senator Kilzer**: A little less than 10% rather.

101.32 Senator Kilzer: Why would tobacco funds drop from $8m to $3m just by a change made, if it goes through the Health Department, it's gone through the committee. Why would that be?

1.01.48 Ms. Adams That was how it was written in SB 2084 to decrease it. **Senator Kilzer:** But we don't know the reason, but we can ask Arvy.

1.02.15 Ms. Arvy Smith: That amount was $8M coming from the Tobacco Center to local public health. The amount that was put in our budget to go to local public health instead was $3 million. We don't have, I guess that would be more of a question for the Tobacco Center what or local public health what things fall off the table with that $5 million dollar difference? We don't really have that information. **Lori Laschkewitsch**, OMB may be able to answer later too.

1.03.11 Senator Mathern: As I read page13 of your testimony regarding tobacco prevention, it would seem there is a definite decrease not just in terms of the federal funds you received but also the amount of money that would be coming over with the new responsibilities that the Governor outlined that used to be Breath and D, so I am wondering, does the Health department have a business plan, a program that establishes how it would spend what resources it does have in relation to the CDC best practices requirement. It seems to me we made like a side by side sort of chart, here's the CDC best practices, and here are the resources that the Department of Health has anticipated so what are the differences? So I am wondering if you have such a document.

1.04.35 Ms. Arvy Smith: Absolutely in the state, the level of tobacco you will see a significant decrease with that proposal. In our budget it's a bit of an increase because $3 M of funding for tobacco comes over to us, but yes it definitely makes a significant decrease.

1.05.03 Chairman Holmberg: But as I understand it you put together your budget, the transfer of the agency was not part of your budget that was submitted to OMB, it was something added, so you are playing catch up as to how it would work, and it wasn't in your proposal. In 2064 it's in your lap.

1.05.38 Ms. Arvy Smith: But far less money than what was given to, what was previously in both agencies, so we will need to prioritize. We will need to reprioritize what gets done, looking to the program where we are at CDC best practices recommend as the best practices.

We do also like to look up promising practices so that we can move forward with new ideas and new ways of doing things. We will just have to re-prioritize and I don't believe we've gone in there with that particular as yet. We like to look at (1.06.19) the $3m is directed to go to local public health and tobacco. Certainly it is a significant decrease in there tobacco efforts. I don't believe we've done any planning on exactly what that is going to look like yet. But we will look to best practices and the most effective ways, when we reduce tobacco in this state. We will look to best practices, what are the ways to reduce tobacco in the state. That's what we will have to plan into.

1.06.50 Senator Mathern: That's a good point, knowing which bill we will be working with. The subcommittee will need to have that clarified in order to give good reason and judgment to the full committee. We hope that would come at some point.

1.07.27 Chairman Holmberg: We can also ask Becky to ask Lori to give us a little more information why the switch was made. Information the entire committee can be notified. Did we answer the question Jeanie as far as the, specific question?

1.08.10 Jeanie Prom: **Executive Director of Breathe North Dakota Center for Tobacco Prevention**. What Sherri had said, $8m from local public health units across the state per biennium. Senate Bill 2064 changes that to $3m, so there would be a reduction from the $8 million, and our one of our budget bills SB 2084 just mentions our agency that created the law that created our agency **1.09.29** Our agency supports keeping the measure as it was passed by the people in state law.

1.09.28 Chairman Holmberg: We will take a break.

1.09.45 Dave Glatt, Acting Director and Environmental Health Director for the Department of Health testified in favor of SB 2004 and provided Testimony attached # 4 – Oilfield Impacts and the NDDoH Environmental Health Section. Show a couple of videos that help us identify air emissions in the field; one of the things we look at is new technology. Two years ago, when we go out to the oil patch and see things like this. We purchased a forward looking infrared camera. High methane levels in the oil patch but we could not identify what those problems were. This cameral allowed us to do this; it is a $100,000 camera. It takes certain amount of training to move forward as we are starting to use it. It is starting to be the industry standard. They are now purchasing those cameras and getting people trained and we are seeing less emissions in the field. That is gas escaping. A few minutes talking about the oil field and the impact. It's important to know that a well goes in or a tank goes in, it does not go away. There are rigs out there building wells. What we are seeing is a shift. When the building was going on, businesses popping up left and right, now we kind of got into a maintenance phase, to maintain what we have, but what we are seeing cutting corners. The money is not quite as robust as before. But we still need to make sure they are complying with the environmental regulations, we are also seeing that they are leaving assets. They are walking away from issues. We are going to have to start pulling bonds to clean up. We still people leaving their business and walking away. We have new regulations. Just for the air quality regulations they have 22 new ones, in Wyoming, they have 2 people that just review federal regulations, that is just one area, not to mention water and waste. Challenges remain, they take more staff time. Refereeing to the document on page 7 and 8 air quality area. The citizen complaints are going down; our inspections are going up. One of the things

how do we use additional technology. The air quality monitors the size of the credit card, the cost is about $200. New technology – the drones, more attention out there with less staff. Page 9 – radioactive material – we developed rules that deals with that. We are tracking that in the field. On page 10 – micro-lab, deals with diseases. On page 11 – Chemistry, we've had 10% more samples more water quality samples; spills, we collect our own samples, we can verify it's clean. Page 13 – concerning drinking water systems. We have to make sure that the operators are doing what they are supposed to do out in the field. (**1.22.20**) Page 14 – State Revolving Loan Fund – Federal money, the interest money that comes back can be used to generate more loans. We could continue that today if the federal money was not there. Page 15 and 16 deals with solid waste. It's dropped but still a lot of it still there. The facilities require on-site inspections and routine inspections as we move forward. The last thing is spills- we still have spills in the state. Our goal is to have or eliminate, or if we can't eliminate them to minimize them to get off site. Black Tail Creek over 70,000 barrels in the creek. The other is by Belcourt we still are watching the Belle Fourche pipeline, that could generate a release of oil, that could create another flush. We don't know where all the oil is, there is still some contained in the soils, where the pipeline break occurred that could general a significant release of oil this spring. That is going to be a challenge for staff as well.

1.25.09 Senator Robinson: Are we being vigilant about following up on our fines regarding spills, where are we at with that? Could you get us a summary of the number of spills we've had to fine, and we've settled by a small fraction. I've been asked about the Tioga spill, the big spill that is going to take years to, where are we at with that? could you get us a summary of the number of spills and fines we've and the status of those and then you mentioned there was about 1300 spills reported. How many or any idea of the number that area going unreported?

1.25.58 Mr. Dave Glatt: We think we are getting most of them. I am not naive enough to believe that we are getting all of them. One of the things is land owners, that I am very proud of our landowners, but they shouldn't be the primary information, but at the same token, landowners shouldn't be our primary monitoring device. We need to do a better job of how do we get those old infrastructure, there are monitors out there that can give us early detection. We need to move in that direction. It is tough thing to talk about in a tight economic market, but keeping that in moving forward, our enforcement actions, (on page 23) we've been collecting over 80% and some over 100% because we take time payments over a period of time, and so in the oil or salt water that ends up in a creek that's an automatic fine. That is an impact on water quality, and we go after them right away. That gives them an incentive to keep those spills out of the water supply. We will probably be at the 1 Million, $500,000-$1,000,000 mark on the penalties we have collected. Tioga, major spill, we are getting close to settle with them. This isn't public information yet, but it will be as soon as I say it, we're will probably collect a penalty of $450,000. I will get criticized for that saying that isn't enough. What we need to remember is the cost of the company to make them clean it up is about $100-million-dollar range. We are making sure they are cleaning it up, for me that is the penalty.

1.28.29 Senator Robinson: How long with that process take to clean up, if you could have any other situation that are as serious at the present time?

1.28.41 Mr. Dave Glatt: Tesoro has been working on that as far as Tioga. They have been at for almost 2 years. We've probably got another year or year and a half to go, and the goal is to bring the land back to as good a production or better than it was before. We strongly encouraged or mandated that the company hire expertise from our university system. So they have soil scientists from NDSU go out and they are going to generate some information here that can be used nationwide. They are heading in the right direction. Also Tesoro has been very good to work with. $100M is a lot to look at but I think it's the right thing to do. The landowners around there have been very good on there. We do not want that to happen again. The Belle Fourche spill, I don't know what the cost of that will be, but that is a significant spill. We've also had the Black Tail Creek which the environmental impacts, all the way down to Missouri have been mitigated, they are localized impacts to where the pipeline broke and we will continue to monitor that and there will be enforcement action as well. (**1.30.13**) We take enforcement very serious. Companies know that if they contaminate our waters of the state they will pay a fine. That is guaranteed. The amount of the fine is determined by the severity of the spill, what spilled and how quickly they react to clean it up. If they delay and don't get right to it the penalty goes up considerably. How easy they are to work with and are they working with the land owners. There are some problems out there, we have issues between companies and land owners, and some of these sites will years to clean up. and the hardest thing to address is the produced water. That produced water is, salt water is at 30,000,TDS; this produced water is at 300,000 plus, so it is pretty significant and extremely toxic to the land. So anything we can do to mitigate the spills as quickly as possible, or to eliminate them in the first place is the thing to do. We've changed. We are still doing that heavy amount of enforcement collecting penalties, but now we're looking at is collecting bonds in cleaning up sites where people have left waste behind. That's a challenge for us right now. That's an area that we haven't had to address before but fortunately we do have bonds. We are looking at are there better ways to do this. There's got to be. So we are looking at how we are going to address that legally as well.

1.31.39 V. Chairman Bowman: Over the last two years we are aware of the spills. Are they putting better pipe in, inspecting these, if what we are doing giving us the results we need and is there a way to do it better?

1.32.25 Mr.Dave Glatt: I would say that looking forward, with new inspectors looking at how they can construct pipelines, I think that is a good thing. I think we will get better results there. Looking back ND has been in the oil business for 66 years. There is some old infrastructure out there that hasn't been looked at, so back in the 1980 pipeline that was put in the ground adjacent on a ridge, in a slump area, adjacent to a creek. That should raise flags for everybody, even the companies. This is a high risk area and we need to address that. Working with the new governor he has basically tasked us to bring the agencies together and start looking at how do we deal with this old infrastructure? The company does not want to spend $100 M dollars on a cleanup, when they say that putting in monitors is too expensive, work this out for me here. Putting in monitors for $500,000, we're spending millions on a cleanup, where do you want to invest? I do think that we are going to start looking back and I would like to lead the nation on how do we address old infrastructure and I think that is where the problem is right now.

1.33.39 Senator Mathern: In other areas of commerce in our state budgets we actually have industry pay the bills. we have a lot of agencies that are self- funded. How far are we from

that in your section and couldn't your section actually be self-funded without any general funds?

1.34.12 Mr. Dave Glatt: We are not there yet. A couple things, one on a major spill; we have the ability to, we have a fund that has about, give or take, $250,000-$300,000 in that. Like in the Belle Fourche pipeline, the first thing we did send out a letter to them saying you will pay for our staff time in the field. So every minute we're out there overseeing that, you will pay for that. We take the initial money out of that fund and they reimburse us. That is part of the industry paying their way on the spills. 2nd through fees, we are starting to generate some fees.

1.34.53 Senator Mathern: I am looking for the dollar amount. What is the difference of what we take in and what we spend.

1.34.59 Mr. Dave Glatt: I don't' have that but I will get it. One of the things I will point out is that typically the state when you talk about fees, in looking at increasing fees or just collecting fees from industry, it has been looked upon as a tax. There has been a reluctance to go down that path. That being said, the number of times that we have had entities that work in other states and they come to us, and we do work for them, we've had a couple of cases that they would pull out their checkbooks and how much do I owe you? We say, well we do that for free. The companies reply that is outstanding.

1.35.41 Senator Mathern: There are other industries that pay the full bill in our state. Banks, credit unions, farmers, weights and measures, thanks.

I.35.56 Senator Wanzek: Going from spills to the hog farm at Buffalo. Do those kind of projects get bonded? What kind of provisions do they work out with the state to if there should happen to be an incident of some sort?

1.36.25. Mr. Dave Glatt: As it relates to that specific facility, we did go through the permitting process and we were sued by the locals that live adjacent to there. We just submitted and filed our brief so it is still going through the court process. From our stance is, they have a permit. What we are seeing with those kinds of those facilities, the cost to close up a facility really isn't that high so we don't require a bond for those and we haven't had to run \across that because if you have a live hog that there's a dollar amount socially with that, you get rid of those, you have a means to abandon. Those are easy to do and not too expensive, but we haven't had to cross that bridge yet.

1.37.16 Senator Wanzek: Do they have to prepare like nutrient management type plans for how they handle manure. To a farmer manure is a resource and not necessarily a waste. It is fertilizer.

1.37.31 Mr.Dave Glatt: They do from our operational plan that deals with nutrients, they have to show us they have sufficient land to apply the nutrients to utilize the nitrogen that can be a beneficial resource if done right. Also to do it in a manner not to pollute ground water or surface water. They have very specific plan. Second they have to give us a plan how do they deal with the mortality, pigs die; how do they put them in a compost pile, do they have a big enough compost pile, how do they manage that, where do they take that material. Pretty

persriptive from how they operate it, where all the waste goes, where the pigs go, anything that would have the potential for environmental impact air emissions; have operational practices that minimize the amount of air emissions that occur, set-back requirements, they are pretty detailed plans. It's not something you decide "today I am going to do it" and you do it tomorrow. It takes a lot o planning and a lot of months for that to come to fruition.

1.38.49 Senator Dever: I'm curious if anybody is going to address the DAPL protest and the impending environmental disaster.

1.39.00 Mr. Dave Glatt: There are a lot of other people dealing with that on the issues and whether we go forward with the DAPL. My personal feeling is that any community of that size, when you look around the state, a town of 3,000 they have to have waste handling, waste water treatment; all those types of things. That's pretty expensive and comprehensive. So there are concerns with the spring and the flooding and how is that all going to be handled. I know that people are looking at that, as we move forward. One point I want to make about the DAPL pipeline, and I maybe going farther than I should, when we talk about pipeline breaks, the Belle Fourche pipe line, then try to correlate that with the DAPL pipeline, that's apples and oranges. You are looking at a 1980's era smaller diameter pipeline versus 2016 era pipeline with all the monitoring, the contingency plans the things that have to be done with a current pipeline. It is a lot different from old pipeline. So when you see a Belle Fourche pipeline break you can't automatically jump to the conclusion that a DAPL pipeline has or was built the same way. They are not, they are totally different. So other people will have to give you an answer on the environmental issue.

1.40.27 Senator Dever: If the present occupants were gone tomorrow, how much of that clean-up could we get accomplished before the spring flooding?

1.40.32 Mr. Dave Glatt: We haven't assessed that. Obviously the snow has a lot to do with it and with the snow cover it is hard to see where the problems are. I know there have been documented cases where pits were dug and things dumped in there. That would take some time to asses, it probably wouldn't be done. It's' more difficult in the winter time. It can be done, just more difficult.

1.40.58 Senator Dever: It would make a big difference if we could at least get the vehicles out of there. He was told yes.

1.41.20 Chairman Holmberg: Anyone else in the audience who wants to give us information about the bill we have before us, 2004-2064. Anyone else that wants to testify this morning?

1.42.07 June Herman, Regional Vice President of Advocacy for the American Heart Association testified in favor of SB 2004/SB 2064 and provided written Testimony attached # 5 regarding the American Health Association and is directed towards specific state investments that we strongly support and encourages inclusion within whatever vehicle moves forward. She talked about the Stroke system (1.42.00) Cardiac system our hospitals have stepped up in the that's a plus to everyone in the state. Trying to catch people before they have the brain damage and heart damage. I have two other pages, page 3 and 4, showing maps of North Dakota prior to their taking the beginning of our cardiac initiative, and dark red or red color, in some cases in some counties we don't have data, and as a result of

the initiative, we see the map to the right which includes SD and Minnesota but you look on the left hand side of that map and you can see a definite line between North and South Dakota, because we are doing so much better than SD with what we're able to deal with our care system. The work being done is saving lives, we have a real impact.

(1.50.39) Deana Wiese, North Dakota Veterinary Medical Association testified in favor of SB 2004, specifically as it relates to the Veterinarian Loan Repayment Program and provided written Testimony attached # 6. **1.53.17**

Chairman Holmberg: We will not be coming back on this bill this afternoon.

Senator Robinson: Where are we in the general funds with domestic violence? That is a growing issue across the state, we certainly have seen significant increases in our community?

1.54.06. Ms. Arvy Smith: We are on hold at $2m.

Chairman Holmberg: We will close the hearing on 2004 and 2064.

Written testimony submitted after the hearing closed is as follows:

7. North Dakota Stockmen's Association in support of SB 2004.
#8. ND Emergency Medical Services Association in support of SB 2004.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004 & 2064
1/23/2017
JOB # 27237

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Vicki Dietz

Explanation or reason for introduction of bill/resolution:

Department of Health Committee Discussion

Minutes: "Click to enter attachment information."

(0.0.11-0.11.03) Chairman Holmberg asked the Committee for input regarding the Health Department for the subcommittee to consider when they meet. The subcommittee is Senator Kilzer, Chairman; Senator Gary Lee and Senator Mathern. (At 8:30 am on 01-23-17 the Appropriations Committee heard testimony from Sheila Peterson, OMB regarding the Revised Executive Budget Recommendation 2017-2019 Biennium.) (Job # 27231)

Senator Kilzer: The Health Department this time presents new problems compared to previous biennium the marijuana implication is still very raw. There needs to be lots of discussion how to do this. The Health Department is not enthused about taking the job but they are mandated. There will be a lot of questions and solutions about the risk of responsibilities. The other thing will be the tobacco Prevention and Control committees and the information given as proposed by both governors. That is one of the reasons we are hearing the health bill first before we here 2024 which is the funding bill for the Tobacco Prevention and Control. As you see there has been 5 additional FTE;'s that needs to be removed from the budget. We don't have any idea which division that will come from. There certainly will be actions from the Attorney General's office regarding toxic substance abuse. **(0.02.12)**

Chairman Holmberg: where are those 5 FTE going to come from. They are swamped with marijuana and the alternative with the current tobacco issue. One is prevention and one is cessation.

Senator Robinson: I think many of us are concerned not knowing where this tobacco thing is going to end up. I think they have had significant impact on the use of tobacco. The testimony that we heard from physicians was pretty powerful about it's an entry drug we have a serious issue. Having said that, I can't help but be concerned. We reduce the amount of dollars that are going to tobacco cessation, transferred into the Health Department, that and the medical marijuana thing is going to be nothing short of an overdose for that department. **(0.03.46) Chairman Holmberg:** Without a current director.

Senator Robinson: Exactly. We all have experience with addiction and I wouldn't wish that on anyone. it would be a sad commentary for us to go backwards. Don't expect the same level of what we have done before. After what our families' been through this is serious business. We need to move money back and forth but we are dealing with people, with families, with lives. I hope you put things in context here. We need to look at the real issue here. That's all I would ask. Thank you.

Chairman Holmberg: We had the same issue come up from the public health nurses and they were concerned about the grants. We would be supportive of it anyway; I am not going to suggest that but their focus was on if the level of grants as it come. That was their focus.

Senator Mathern: I think in this area of tobacco cessation and prevention, another thing we might consider is actually moving it all into the center for prevention and control from the Department of Health. But that would be another way of being more efficient. We could go either way. I would just raise that as a possibility. Thank you.

Chairman Holmberg: I would suggest talking to people in Grand Forks afterwards that the folks that have their heart and soul in BreatheND really don't want to be transferred. There's a sense if those who wanted it transferred were going to put together something that would have a real comprehensive tobacco control program in the Health Department it might never reach he satisfaction of those who have grown up and worked on that. So no matter what we do there will be criticism.

Senator Dever: It was my understanding in the Dalrymple budget that a certain amount of money being transferred from tobacco prevention was to go into behavioral health. Is that in the Department of Health or Human Services?

Senator Mathern: The way it appears it is going into the Dept. of Human Services. However, it may not be new dollars. It may be just paying for some of the things that were in the general fund now would be coming from the trust fund. It's still unclear, but It doesn't look like new programing yet.

Chairman Holmberg: It says in the press release issued at 4:49 pm that there is a combined amount to address behavioral health issues but part of that is in corrections because what they say in there is including funding for adult and youth corrections programs.

Senator Robinson: Just a comment. You reminded me of something Sheila had talked about that all of us would want to get a handle on sooner rather than later, when we talk about the reinvention of government, and Sheila's comment regarding the investment of money in the corrections budget. How is that going to fit into these other programs, that would be important for us to know. And it impacts so much of what we are talking about here and elsewhere in the work we do in the next few weeks.

Chairman Holmberg: We historically have a history of putting money hither and yon. If you want to look at programs that impact tobacco in one manner or another, you can go to

Human Services, DPI, HP, DOT, Dept. of Health and that always confuses the question and someone coming in and looking at it says "why do you have it in 6 agencies?" and we have participated in that.

Senator Robinson: The CTE fragmentation. 4 agencies each having a piece of the responsibility.

Chairman Holmberg: Would someone say preparing for kindergarten in Extension is a place that could be elsewhere. And we've done a lot of that in Commerce over the years. Just added parts of programs.

Senator Robinson: Many of those issues are difficult to tackle in a normal year. This might be the year to tackle those issues. I think we should keep these things in mind as we move through our subcommittees. If there's opportunities to improve things substantially sometimes in doing so you step on toes but this might be the year we have to do some of that with the idea of improving things for all.

Chairman Holmberg: Keep in mind we are the policy making branch. If there are some area of a budget that we as the policy making branch feel need enhancement or change, that's our job to do that. **(0.11.03)** The discussion was closed on the Department of Health.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004/SB 2064
1/24/2017
Job # 27312

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature	M J. Wocken for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes:

Testimony Attached # 1 – pg. 52 from Burgum budget comparison.

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer called the sub-committee to order on SB 2004/SB 2064. **Senators Lee and Mathern** were also present.

Page 52 from Gov. Burgum's revised version of the executive budget.

Senator Kilzer: three pieces of testimony:
1) SB 2004 - base budget after both allotments had been reset – May 1, 2015.
2) SB 2064 (favored by Arvy) will be removed by whole appropriations committee.
3) Page 52 from Gov. Burgum's revised version of executive budget.

Get Input of the document. Will not be taking public testimony.

Arvy Smith, Co-Interim Executive Director, Dept. of Health, State of North Dakota
Asked to identify 5 FTEs
With the medical marijuana proposal and timing, it is unlikely they would use all the FTEs in the first start- up biennium and that is where we reduced four of the five FTE asked for, was out of the medical marijuana line item. One additional FTE came from environmental health.

1 grant reduction - $100,000 from Colorectal screening. That got to the amounts that we needed to arrive at.

Senator Kilzer: You're in full compliance with the revised budget or do you have additional things to tell Senator Kilzer.

Arvy Smith– With the Burgum revisions, I can Dave talk about the impact for the FTE. We think we'll be able to tolerate the less FTE. Colorectal is not spending at the level because of the new FIT that's available, and ruled out some of the where people don't need to have a colonoscopy. In certain circumstances the FIT test will do the job and alleviate that need and so the spending in that program isn't quite a bit under the budgeted amounts in the current biennium and for next biennium we may be looking at that and moving forward.

Senator Kilzer: What is the total amount previously listed and you said it was reduced by how much?

Arvy Smith: We reduced by $100,000. It's currently 17-19 biennium budget, we have $619, 207 and that was General Fund. So in the Governor Dalrymple budget that entire program got switched from General Fund to Tobacco Funding. It got switched to tobacco funding. It was $100,000 out of tobacco in the Burgum adjustments. Senator Kilzer: Which tobacco program was then? Arvy: That would be the funding left after discontinuing the centers budget.

Senator Kilzer: This money would be coming from the Tobacco Control and Prevention, not the original master settlement. Arvy: Right.

Senator Mathern: Not for immediate response but I am looking for information more detailed about the tobacco settlement and the programming that would be in this department. I am thinking that is going to be one of our major decisions as a subcommittee and I would like to a chart of what the services are now in regards to tobacco in the department. What they are, and Tobacco Prevention and Control; and what the CDC requirements are; and as such, how this would work in the Department of Health. I am thinking one of our decisions might be keeping things the way they are now, actually moving it as the Governor has suggested, or moving it over to Tobacco Prevention and Control. I think to make a proper decision, we should look at what is offered now, and compare that with the CDC requirements. I would like the department to prepare a schedule that offers that information for a future subcommittee meeting.

Arvy Smith: Do you want Dalrymple budget, do you want to see our programs for tobacco and in addition the center's programs for tobacco and how that relates to the CDC recommended amount? Senator Mathern: Right.

Arvy Smith: So that would be with the, after the elimination of the center, or before?

Senator Mathern: I would like what is in existence and then how it would look afterwards if the Governor's recommendations were implemented and how it compares with the CDC requirements? Arvy: Okay.

Senator Kilzer: Do we want to talk further about that proposal that is before us? It's on my list, but farther down.

Senator Mathern: I would like to look at the data and I don't think we have enough data for me anyway to really add much value without having the data. We'll need to discuss it further.

Senator Kilzer: We'll discuss in another meeting after we receive the data. My request what should be included in Senator Mathern's would be that I'd like to what your program would like if totally implemented as the governors' budget is shown because this is both present in Governor Dalrymple's budget and also in Governor Burgum's budget too, so I would kind of like to see the full blown picture of what you see as your goal after support is carried out.

Arvy Smith: You want the federal funds in there as well so you have the full tobacco picture.

Senator Kilzer: Yes, I would.

Senator Lee: Are the FTE's you have assigned to the Health Department Tobacco work as well. I see there is some reductions in the salary and the health benefits, so they must be four or five people in there. That number to too see where we are at with people? what they do in relation to your program.

Arvy Smith: four or five positions reduced. **Senator Lee**: No, there was some dollars reduced I am not sure what that equates to in FTE's,

Arvy Smith: For the pay plan, okay. **Senator Lee**: How many FTE's you have and what they do in relation to your program?

Senator Kilzer: Are you asking presently or what it would look like in the future?
Senator Lee: Presently, and then to your question about what it might look like in terms of in the future like you suggested.

Senator Kilzer: so those are the requests on that subject, let's move along to marijuana. Not a pleasant task and certainly more challenging but can you update us on that since you've given the presentation 10 days ago or so?

Arvy Smith: So the governor's recommendation had the $7M total, $5M from revenue fees, and $2M from General fund. So then with the adjustment, we have FTE rolled up with environmental so we don't have those numbers. I can't tell you the exact dollar reduction, but it's probably around $300 or so special, about $29. These are approximate numbers, before the Burgum budget we were at $2M general, and with the Burgum adjustment we at approximately $1.5 and then, federal and special the Burgum, we had $5M and that would go down to $4.5, for a total of $7 down to $6 and we went from 17 FTE's down to 13 FTE's; and then depending on how and where the legislation goes, a significant cost factor to the whole situation is whether individuals, the qualifying patients and the designated care givers which are those small caregivers that can have like 5 patients, if those two groups can grow marijuana all over the state, our estimates were there were several thousands of those, and that significantly affects the cost to implement medical marijuana. That is a significant cost factor. The proposal that comes out and if that stands, and those individuals are not growing all over the state, that brings costs down significantly.

Senator Kilzer: You mentioned federal funds and special funds. Are the special funds all obtained from licensing fees? Is there a charge for inspections, is there an inspection fee?

Arvy Smith: We did not have an individual inspection fee and the law didn't provide for that. What it did it did state specifically that fees for an application fee and a registration fee, and for the Compassion Centers which are the larger sellers and growers, those were stated in the law, and for the qualifying patients and designated care givers, it was not stated in the law. So, in the proposal we had to come up with fees and in fact to do a fiscal note and to budget this, we've had to calculate what we think the costs would be kind of back into the fee that are needed to cover all of the costs.

Senator Kilzer: When you say it was stated in the law, you mean the dollar amount was in the law?

Arvy Smith: For the compassion centers yes, but not for the patients and designated care givers. We looked at a full biennium and what it would take to cover all the costs, but during that first biennium all that revenue wouldn't be in right away, so we did want to allow some general fund for start-up costs because we wouldn't be fully collecting revenue in that start-up biennium. We wouldn't have 2 full years of revenue.

Senator Kilzer: In general, is your department pretty much reading to collect fees? Like your other inspections and things, do you have programs for that?

Arvy Smith: So we won't be collecting fees for inspections or it would be all related to the applications and registration. It depends because if the care givers and patients don't grow their own, they have to get it from the compassion center. We won't want to register them and collect fees until there is a product available for them to buy. Our first goal will be let's get a Compassion Center up and running. We hear different estimates, from the time we approve their application, it would be a couple months to get the equipment, and the facility all up and running and then it would be another 3 months until product were ready to harvest. We also need to go through a rule making process, so we will probably start drafting those now, and then rather than wait until after session and see what happens in session because that would slow us down. We will probably draft now assuming as legislation is proposed then edit at the end and then try to quickly move it through the rule making process which can take a really long time. We will try to see if we have the opportunity to do emergency rule and call a special meeting of the Health Council, anything to move that forward and keep it so we can try to meet some good time lines. It will be awhile to buy a product so I don't feel like we can charge a fee and register them until we've got closer to a time when the facilities are ready to see product.

Senator G. Lee: Have the bills been put in that reflect some of these changes that you're talking about?

Arvy Smith: It is heavy, heavy drafting. My head is fuzzy, hopefully tomorrow.

Senator G. Lee: Those changes is it one or several bills? **Arvy Smith** responded: 1 bill, many changes.

Senator G. Lee: Did those changes that you're putting in there reflect the revised executive recommendation in terms of costs. So if we use those costs in relation to what you hope will pass, we would be in the game in terms of dollars for marijuana issue?

Arvy Smith: Since that time there have been a lot of changes. We switched up the revenue. We'll be asked for a fiscal note too, but not until 5 days after bill comes out. We just don't have that done yet.

Senator Mathern: Will the fiscal note be from only Dept. of Health or others?

Arvy Smith: When I am talking here, I've been talking Department of Health. There are certainly costs to BCI, the Attorney General's office, depending on what goes to local government and such. Certainly in the first round with the measure that was passed there were significant costs related to that, but, these have a very difficult time getting those kinds of dollars from the agencies that are affected. So I am not sure if council will depend on us to pull those numbers together or how that will work. Again, if the, based on where they've now with the limited growing to a few places in the state, again that significantly reduces costs so that those impact on other agencies won't be as much. For example, the designated caregivers that would be for those qualifying patients they all had to have background checks and that was in the original measure that passed and so we had thousands of those, that is a significant impact on BCI. If there not growing and we only have a few centers growing then its' only a matter of getting the background checks on the employees and all the agents of those centers that are growing and selling marijuana.

Senator Mathern: Ask Sheila at the Legislative Council, how the fiscal note requests would be handled in this special deal? This delayed bill.

Sheila Sandness: We'd be relying on them to gather info from other agencies and include them into one fiscal note because our system is not able to send multiple fiscal notes. That would be confusing too. So we send one fiscal note and ask agencies to coordinate with other agencies and come to a total.

Senator Mathern: Would health be the lead for the fiscal note? **Sheila Sandness**: replied yes.

Senator G. Lee: Those 13 FTE's that are included in the Burgum budget, how will they managed in the Health Department budget, are they a separate group or someone responsible for that agency?

Arvy Smith: In our testimony we had organizational chart. The health resources section in the middle of the chart run by Darlene Bartz. We have food and lodging. It would be a division under the health resources section.

Senator G. Lee: Is in page 2 of your testimony? **Arvy Smith**: It is the final back side before the financial attachments.

Senator G. Lee: In starting the program, how do we get the seed here?

Arvy Smith: We have asked other states that was the first question. How does the first seed or plant get into the state legally? Just as the federal government is choosing not to enforce

marijuana. There are marijuana laws in the state that states isn't enforcing where seed comes from.

Senator G. Lee: Is the Health Department then responsible for that illegal activity or do the Compassionate Care center are the cuprite in the deal?

Arvy Smith: We are not allowed whose has been advised by Risk Management not to touch the stuff. We cannot ask our employees to commit a federal crime no matter what laws passed in ND, it is still a federally illegal substance and if the feds chose to enforce it they can be arresting people. We are advised not to have our employees like for example, if we went out to a site and they have way more marijuana plants than what they were allowed to have we could not confiscate those, we would have to call law enforcement to do that. The other impact is the lab testing of the products to make sure there correctly labeled and as far as the content of the active ingredients and all of that. We cannot, the industry seems to be highly motivated to do a lot of their own testing for quality control and to say that they've got quality products. But we would want to do some independent sampling so that we know were getting a random sample of all their products to test. We would not be able to take those samples with us so we would need to work with a lab someway to figure out a way to have controlled samples that we would be testing.

Senator G. Lee: So if the federal government chose to say a compassionate center is bringing it in, they could act as a federal agency on that compassionate center they are breaking the law by bringing it in? **Arvy Smith**: Yes

Chairman Holmberg: When you talk to other states, you are utilizing there history with a different administration than what's in Washington now, that I would think would cause even more question marks as to are they going to be more assertive unless federal law is, or are they going to look the other way with a wink and nod.

Arvy Smith: The new US Attorney General is expected to be way more conservative regarding marijuana is what we hear. Anytime, he or she could choose to enforce the law for both medicinal and recreational. Previous attorney general wouldn't enforce as long as states are following 8 different points, and the two most critical were minors were being protected and that the state is doing what it can to control diversion to unauthorized uses, which those two things are two big reasons why we are looking at SB 2154, because if we're not doing those things the better chance there is of the federal government coming in and taking action.

Senator Kilzer: What I would like here now is for Arby to give us a brief summary of why she would like 2064 better than 2004 and then after that, the brief presentation from David Glatt.

Arvy Smith; 2004 is our current budget. Our decision makers like 2004 better than our Governor Dalrymple and Governor Burgum's budget. I am not sure. A lot of the changes were funding source changes, so we were able to keep most of the programs intact. There were reductions in the Dalrymple budget were really the EMS World Assistance Grants and the EMS training grants where they were brought down 10% consistent with some of the other programs. But it is very hard to say with current budget there were other changes that

took as well in arriving even current budget would be before the 10% reduction 2004. I think Nick would like that one.

Senator Kilzer: Ask Brenda same question.

David Glatt, Section Chief, Environmental Health; Co-Interim Director, Dept. of Health

Senator Kilzer: what do you think about the Burgum Budget. You said that you had reduced one environmental inspector. How many inspectors do you have and how many would you have with the one reduction?

Dave Glatt: We have a staff of just over 170. Of that, probably we're looking at rough numbers, 40 are laboratory staff which don't do inspections, except for 1. One does a laboratory certification, we're probably rough number looking say about 100 total inspectors, and they do have a program, clean water act, clean air act, safe drinking water act, so all environmental programs we have authority for we have inspectors related to that.

Senator Kilzer: Would there be one retiring to make up the one that's been reduced.

Dave Glatt: There is one retiring and probably have more coming up in the near future.

Senator Kilzer: What is the need now with the decreased activity?

Dave Glatt: In the oil patch, quite frankly the need is greater than ever. What we're finding is that infrastructure that was put in those wells that were put into the ground, those tank batteries that were put in there, those are existing compliance points and they will continue to be existing compliance points into the future so they need to be inspected. Those are increasing on a daily basis, not as quickly as the boom, but they are still drilling wells, and still putting in infrastructure. That is required. Second now, were finding that due to the downturn that's an economic impact on some of the industries and we are finding that we are spending a lot more time in the field over sighting that activities to make sure that they are compliant with regulations and in cases where we're seeing them file bankruptcy to make sure they don't leave a mess out into the field. Those messes need to be handled appropriately and cleaned up as needed.

Senator Mathern: In other areas of inspection, do we have a list of each inspection for pipelines that we can identify any pipeline and a list each time somebody came to inspect?

Dave Glatt: We don't inspect installation or operation of them, where we get involved is if there is a break.

Senator Mathern: No prevention program. These pipelines out there for many years we don't have a prevention program to inspect it?

Dave Glatt: No, looking forward, there are new regulations that deal with the construction and the oversight of the construction, in monitoring devices required for newer construction. Looking back at the older, right now there isn't, it's my understanding that they are going to start getting more into that. Looking at older construction and where they are located and the

potential for causing problems if a leak were to occur. Oil and gas, PSC, diverse inspections depending on the size of the pipeline. We don't do that.

Senator Kilzer: Are those federal regulations or state regulations?

Dave Glatt: Federal thru FEMSA (FIMSA) One inspector but he doesn't make it to ND very often. So it may be in my opinion, more under name than actual activity. The other ones, the oil and gas does deal with oil industry on the construction of newer pipelines. The PSC also does oversight of the larger pipelines to control proper construction.

Senator G. Lee: Did we add 4 inspectors into the current budget?

Dave Glatt: We picked up 10 FTEs. Program staff that they do in house field inspectors.

Senator G. Lee: One of 5, that was lost in the Burgum recommendations was from inspections out of your area.

Dave Glatt: Air quality tech. they do the maintenance on our ambient air quality monitoring stations. We have 14 stations that do 24/7, 365 monitoring of air quality and those systems have to be maintained and so we have technicians that go out and make sure the instruments are accurate and they operating properly.

Senator G. Lee: so how are you going to get that work done if you let one go?

Dave Glatt: They assure me they can get it done. Schedule more efficiently. It will be a load on our existing staff, but with talking with the staff they assure me they can get it done.

Senator G. Lee: There was a 1% reduction in general funds in his recommendation to, did any of that impact your area?

Dave Glatt: On top of FTE, the salary monies associated with that, would give them back as well, about $111,000 general fund and about $27,000 federal.

Senator Kilzer: Any comments about the Burgum budget that would change your budget from 10 days ago?

Dave Glatt: I know its tough economic times in the state. So we have to tighten our belt and we will make those changes, but that will force us, which isn't a bad deal to take a look at how we do business now, and how we can do it more efficiently.

Senator G. Lee: If Burgum recommended the compensation be eliminated and the insurance benefit that the employer would pay 5% if that came back in, is there a way that you could reduce those costs, somewhere else within your budget? If we kept those in, is there someplace else you could make up those costs? Just look at your budgets and see if that could happen?

Dave Glatt: Looking at the federal tightening of funds. Look very closely at what we do and don't' do if that comes about. We are keeping an eye on Washington as they move ahead with federal programs.

Senator G. Lee: Is there any federal money we're losing because of your budget?

Dave Glatt: Not at this point in time. Really we will see some money that we may turn back because we don't need it, because we don't have a staff member to spend that money.

Senator G. Lee: No match money or those kinds of things? **Dave Glatt** replied: Not at this point.

Arvy Smith: Clarification on last question about finding funding to cover?

Senator G. Lee: In Burgum budget $256,000 roughly for wages that wouldn't be paid because it was taking away the 1% in the 2nd year, and the 5% health insurances, the 561 plus, if we restored that to those areas could you find that somewhere else, within your budget if you were going to pay staff more and not have them contribute to the health plan. But we need to still get to the number bottom line that he was asking for, can you look to see if that's possible? **Arvy Smith**: replied we'll work on that.

Senator Kilzer: Some people have told me that they would rather have a high deductible or increase in co-pay rather than making the individual or family plans pay 5% of the premium. That is the subject we are asking you to look at. We'll meet again the end of next week. Don't hesitate to bring materials to committee. Closed the hearing on SB 2004.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004
2/2/2017
Job # 27835

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Claire Williams for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes: Testimony Attached # 1 – 2.

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer: Called the sub-committee to order on SB 2004. **Senators Lee and Mathern** were also present. The sub-committee meeting today will be devoted entirely to smoking and to the money that is involved. (Asked Arvy Smith for an overall view on the Department of Health plans if SB 2024 would end up as both Governor Dalrymple and Governor Burgum proposed; which is basically a defunding and the discontinuation of the Tobacco Prevention and Control Committee.)

Arvy Smith, Interim Director, State Department of Health:
ND Dept. of Health, Tobacco Prevention Program Subcommittee Request SB 2004 – Testimony Attached # 1.
Analysis of the Tobacco Prevention and Control Trust Fund – Attached # 2.
(Explained the charts.)

(6:22) Senator G. Lee: In the first column, you used the term cessation, do you mean that as an encompassing term with prevention, or is there a distinction between that and prevention in your mind?

Arvy Smith: Cessation would basically be the Tobacco Quit Line that we have.

Krista Fremming, Director, Chronic Disease Division, Health Department: Under cessation would be the things that Arvy included in (inaudible) as well as our work with health systems on cessation encouraging and getting them to put systems in place to ensure that they are tracking tobacco use for all of their patients and then doing to appropriate interventions if the person does use tobacco. The prevention, youth prevention would be under the state and community based interventions.

Senator Kilzer: If you set up evening that you invite people to come in that want to enroll in what they call the prevention program, would that come under this column?

Krista Fremming: Do you mean enroll in a cessation program to help them quit tobacco?

Senator Kilzer: Yes.

Krista Fremming: That would be under the cessation category.

Senator G. Lee: In these dollars, are these things you actually do, or are you just support financially and the local public health units are doing that, or is this coming out of your FTEs in your areas?

Krista Fremming: We don't provide much of any funding to local public health for tobacco prevention and control. That is what the Tobacco Center has taken on the role of over the past few years since they were created. We do have some smaller contracts with local public health for things such as the baby and me tobacco free program, which is a cessation intervention. By in large, the local public health is funded through the Tobacco Centers appropriation. We do propose how we would carry out a comprehensive program, including local public health with the funding that was included in the executive budget.

Senator G. Lee: You would direct the use of those dollars, as opposed to your 5 FTEs here. Do they actually do the work that is being described through these dollars? I know the quit line is in here and that is somewhere else.

Krista Fremming: A lot of what the staff who are listed on the last page do is administration and oversite of the programs. It varies from staff person to staff person. (Gives an example.) Best Practices of ND Quits.

Senator Mathern: I would like to know if the plan suggested by the Governor was adopted, how many staff would be involved? As comparted to what is presently provided by the department and the center. I am hearing that the proposal would reduce the staff considerably. How many staff in the proposal are involved in the tobacco work, and how does that compare with the present situation that has both the department and the center providing staff?

Arvy Smith: We dealt with the executive budget and we were not provided additional FTE to do this merged tobacco program. We continued with the 4.85 FTE, which is real close to what we currently have. We were asked to put together a plan of what we would do and so as you will see as we move through these documents, the one right before the description of the positions, we can show you the plan that was laid out so we are substantially covering all of the CDC recommended areas with the funding we were provided. The only additional funding that went into tobacco in the health department was the $3 million that goes to local public health for tobacco programs. We did not add additional FTE in there. There is about a .1 that was reallocated.

Senator Mathern: I am trying to get a direct comparison. I understand that we have over 20 staff across the state that are connected with tobacco programming. This plan would bring that down dramatically?

Arvy Smith: Our budget, we have 4.85. That is all that would be in there. I do not have the centers number of FTE on me.

Senator Mathern: I want to know what the program looks like in terms of all staff members throughout the state.

Senator Kilzer: The local public health units have been talking to me and others, and they list 31 FTEs that are devoted to the smoking program and in the next biennium, the proposal is to fund 11 of those. As far as staff goes, the department of health, as you mentioned, has 4.85 and the tobacco prevention and control committee has 8 FTEs.

Senator Mathern: I have this chart, but I wanted to hear from the department if that is the accurate situation. That we have about 32 FTEs throughout the state working on this, with the proposal we would be down to 12?

Arvy Smith: I am not aware of what the numbers are in the current biennium. I do not have the chart you have in front of you. In the Governor's recommendation, it would 4.85 staff at our shop and then we, with the $3 million we were looking at funding a tobacco coordinator in each of 8 regions, so if you want to count those, yes that would be 8 more positions. There is another $1 million that would be distributed on a formula basis to local public health units and I am not sure exactly where that would fit with numbers of FTE at supporting. It would be a formula based number given to local public health to do some community efforts on tobacco.

Senator Mathern: If these numbers are accurate, and we would go from 32 staff to 12 staff statewide in this program of intervention and reducing tobacco use, wouldn't that be a pretty big consequence? Are you saying you could do the same work with less staff?

Arvy Smith: Absolutely not. If we move forward in the schedules, I will be able to show you where this goes. In the next schedule that I was getting to, you will see that we aren't anywhere near the CDC recommended funding for tobacco in this scenario, given what was provided. (Referred to Page 3 and 4 of Attachment #1 to point out the CDC recommended funding and how they would accomplish that with the funding provided.)

(18:30) Senator Mathern: What is the professional opinion in our state is to the smoking rate that the $8.6 million spending level versus the budget of continuing the center at their level? What is the consequence in terms of the overall effect of the rate of smoking in North Dakota?

Arvy Smith: We just received our smoking grades from the American Lung Association today for 2017, and we have made some improvements in some areas on those grades, but one area we continue to get an F on is the taxation level. That is a proven best practice for reducing tobacco use. When the federal tax rate went up a few years ago, that was the most significant decline in smoking that we have had in this state. That is why the tobacco proponents proposed the state tax increase that went to the voters and the voters said no to

that. If we are ever going to make a move here, that is probably the most single effort that would impact the smoking rates here. Our succession rates through the tobacco quit line continue to be high and meeting or exceeding the national levels for that. We did get A's in a couple of areas.

Senator Mathern: I am talking to the new budget consideration.

Arvy Smith: It is really difficult to say what the impact of these would have on the smoking rates because one of the biggest impacts is increasing the price, and efforts have been made to do that either way and that has not happened.

Krista Fremming: To your question about the rates, I wish we had a crystal ball to know if we cut back on tobacco spending, what that would do to the rates, but of course none of us have that. I think it is important to also understand what is going on in the national context that is feeding into our smoking rates in North Dakota. In 2009, the federal tobacco tax was raised by 62 cents and after that we saw a drop in the rates. It is all correlation. We can't really claim causation. The other thing that happened in 2009 was that Congress passed the tobacco control act which gave the FDA a lot more authority to regulate the advertising that the tobacco companies are able to do as well as increase their ability to label their packaging with more graphic warnings. We understand that all of those things happening at a national level have impacted our rates. Of course that is not to say that the work that the health department and the center have done over the past many years is not important. Of course, we do believe that we have had an impact on decreasing those rates, but it is in a much larger national context that includes a lot of other moving parts.

(23:09) Senator Mathern: I know there are some center programming issues, and I am thinking that there is other programming providing signs to people, having websites, and special grants to behavioral health. Are those things in here anyplace? For the programming for $8.6 million.

Krista Fremming: you make a good point on the signs. I do believe that if the tobacco center goes away, the health department would be in charge of the signage to comply with the statewide smoke free law. They are not reflected here, although I think that the center has done a really good job of getting those out. So, I don't know how much of an ongoing expense that would be for us. As far as the website, we have our health department website and I think that we would just need to modify and enhance it to reflect more of the work that would be coming over to our shop.

Senator Mathern: Is that cost in here?

Krista Fremming: Not specifically, although we do have a staff person that handles our communication and I would see that as a function of her position to update the website.

Senator Mathern: What about the grants to these special related activities?

Krista Fremming: Are you referring to grants set to organizations such as the American Lung Association?

Senator Mathern: That would be one. (Gave a couple of other examples.)

Krista Fremming: If you look under cessation, grants to health systems, $1.4 million, I would see behavioral health work continuing through that funding line. We wrote it generically because we work with so many health systems. (Gave examples.)

Senator Mathern: How about research about our practices? Would that continue under this proposal or would that end?

Krista Fremming: Are you referring to the research that has come out of NDSU about the e-cig nicotine content and things like that that the center has funded?

Senator Mathern: I am not sure, but I think UND has been doing some research.

Krista Fremming: I don't know if UND is doing research, but NDSU is. That type of research has happened. I think that with the announcement last year that the FDA now has regulatory authority over electronic cigarettes, that should really, in a limited budget and knowing that the FDA is moving forward with their regulatory oversite, be a priority for this budget.

Senator Mathern: On the policy issue, and you mentioned that the greatest impact is the cost, I think it would be fair to say that local public health units and the center itself have been involved in that policy area in terms of getting citizens being aware of it and moving that agenda. Would the department be able and willing to note that this is a CDC recommended practice and help get that F to an A.?

Arvy Smith: In general, to make a statement that these are the things that are effective in changing the tobacco usage rate and showing data, would probably be ok, but ever relating it to a bill or measure that was out we would not be able to do. That would be construed as lobbying.

Senator Mathern: Could you provide grants to help other people do that?

Arvy Smith: No.

Senator Kilzer: Summarizing his own thoughts - If this passed, you would not be provided with the FTEs and the money necessary to carry this out. I would hope that, depending on how we synchronize with SB 2024, that we could give you the tools to carry it out successfully. If we try to do this with not adding any more FTEs than the 4.85, or giving you any part of the $16 million budget that is in SB 2024, this will not be a feasible thing and it will not succeed. I wanted to reassure the local public health centers that you can't go from $8 million to $3 million and come anywhere near the services that have been given for the past many years and should be given in the future. We are aiming to make this budget neutral and not to have expectations of cutting it that severely and hoping to continue with the same mission.

(31:51) Senator G. Lee: In the second one where it says health communications, the $850,000, is that the advertisements that we are seeing?

Arvy Smith: That's mainly for advertising our quit line. All of the other advertisements are coming out of the center.

Senator G. Lee: I see much of your page has you using your quit line with a significant part of your dollars as well as the cessation, phone calls, advertising, data collection, and staffing is what your outline shows.

Arvy Smith: We laid out some priorities with the funding that was provided, and certainly it will not be at the level that was provided in the past. If I could make one comment, depending where this goes, we may need to make some amendments to chapter 23-38, the community health grant program. We are looking at that and would want to talk about that depending on where this funding lands. When the center became the provider of that grant, this language became defunct because there was no money for community health grant program. If the money is in our shop to do that, these formulas would come back into play and they are outdated.

Senator Kilzer: Closed the hearing on SB 2004.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004 Subcommittee
2/10/2017
JOB # 28205

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Sandy Baumgartner for Alice Delzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for the Department of Health

Minutes:

1.ND Dept. of Health-Draft Comprehensive Tobacco Program Budget for 2017-19 Biennium

Chairman Kilzer called the Subcommittee to order on SB 2004 at 10:30 a.m. in the Harvest Room. Let the record show that all subcommittee members are present. Chairman Kilzer, Senator Gary Lee, Senator Mathern were all present. Becky Deichert, OMB and Sheila M. Sandness, Legislative Council were also present. I apologize for those of you who have been waiting, but we took 2024 first. I'd like to spend just a few minutes to spend on the action that we recommend on 2024 to the proposal and to the needs that would be seen to take over these functions, particularly in the prevention center. We always felt the treatment belongs to the Health Dept. That would change if 2024 were to be adopted at the end of the legislative session and signed by the governor. I would like Arvy Smith to address that for a few minutes. Then I would like to talk about some other area that we have not talked about. One of my pets is the Dept. of Forensic Medicine in the Health Dept. and I wonder how that is going.

Chairman Kilzer: How would this will affect you, FTE's, and money? We have the local public health grants. I know you have grants not only for smoking but for all of the programs. I know that the public health units need to be better subsidized than they have been. This won't be the final meeting of your department.

Arvy Smith: Acting Co-Director of Dept. of Health: Testimony #1The way I understand it; more funding will be put into the local public health funding grants. I know we will continue to follow the CDC's best practice categories of spending and look at their recommendations, and try to pro-rate the total amount of money accordingly. We do with the additional funding for local public health, so in the current arrangement our contracts and grants are with tribal entities only, not only with local public health. We have talked about having the local public health unit grants be awarded likely on a competitive base rather than a formula basis. In administering and working with that, we would probably need some adjustments to chapter 2338 that has all of that funding distributive based on a formula. I imagine there would be

some component of each, or if there is direction from you as to what particularly is your requirements.

Chairman Kilzer: The information that we have seen is that the local public health units, not all 28 maybe, but the 8 regional ones, all together, were receiving in the tobacco area about $8 million collectively. As I was told and looked at the governor's budget, it would be about $3 million. Is that right?

Arvy Smith: Yes, as far as the governor's budget goes.

Chairman Kilzer: When I look back further in the history, they were getting a total of about $1 and $3 million per biennium from the Dept. of Health.

Arvy Smith: We would have to dig out some records to verify that. My experience goes back 15 years. At the time when we started getting tobacco settlement funding, we had the Community Health Grant Program, which is in 2338. We had an advisory council to distribute and award those. Those grants were competitive. There was also a piece that went out as state aid and had a formula basis to local public health, but the rest was on competitive. It may not have been competitively, but they did have to submit a grant and meet all of the requirements.

Chairman Kilzer: When you say competitive, do you mean everybody applies, some get none and some get something? Is that the way it is?

Arvy Smith: In our proposal for the Burgum budget, we suggested $2 million competitive and $1 million formula.

Chairman Kilzer: The total numbers are still $8 million from Tobacco Prevention and Control on one hand and $3 million in the Burgum budget?

Arvy Smith: The total Burgum budget is $8.6 or $8.7 million. So at the center, there was $8 million and in the Governor Burgum budget it was $3 million.

Chairman Kilzer: Senator Lee, at one time you had a figure of $4 million. Explain that to us.

Senator Gary Lee: The $3 million was included as Local Public Health Grants and a million that was state aid came from the state. That was the total of $4 million.

Senator Mathern: I am not quite sure how the dept. would carry out the functions of the tobacco programing. It appears that the amendment, being considered is adding additional dollars into the grant program beyond what was in the governor's budget. It doesn't appear to be adding staff. I am wondering what items would you not do if you have the full responsibities that are now carried by Breathe ND?

Arvy Smith: In the Burgum budget there was no additional staff. We did have additional temporary staff and operations, but not an FTE. We had to put in a little more for surveillance and evaluation. We were asked to do proposals for $10 -12 million. As we developed those budgets and with all of the funding for the grants, we did staff time and would need an FTE

to manage the grant program. We would have to put some money in to do the evaluation and analysis. Into cessation, we would have to do some analysis of numbers for where the impacts are. Again, we look to the CDC for guidance and pro-rate out as much funding as we have.

Krisa Fleming: Director of Chronic Disease Division at the Health Dept. One area that I would see changing is the health communications category. I believe the tobacco center has 1 or 2 people working that area. The Health Dept. has currently had a contract with advertising to promote ND Quits. They have been very helpful in overall media plan, which includes digital, and Facebook. So I don't see a reason for an FTE in the Health Dept. to do health communications because a lot of that is contracted out. In the proposals that we prepared for Senator Gary Lee, the health communications line is reduced because CDC has done a national media by tips by former smokers. They plan to continue to do that, which reaches our state. We don't have to pay for that. It impacts our state. The FDA has also done a big youth prevention campaign. Since national entities are doing a lot of advertising, that is an area where we might be able to cut down in our state because of the work they are doing.

Senator Mathern: Thus far of the 8 positions that Breath ND has, you are saying one could be cut? What about the other seven? Would we not do those? Could we all get a plan for the staffing transfer?

Krisa Fleming: I am not fully aware of what all the functions of the FTE's are at the center. We work with them on the work that needs to be done. Right now we have a health systems coordinator that works on our grants and our programs with our health systems. I would see if there is additional funding added into the grants to the health systems line versus cessation, that she would have more grants to manage. We can look at stream lining some of those, less of them, but increasing the size of them in order to have a greater impact in whatever health system it is.

Senator Gary Lee: Your current staff is really 7 people.

Krisa Fleming: That is correct. We have small portions, like an IT coordinator and our grants and contracts officer, that are included in that. There is a couple of staff that are half-time in administrative assistant and an epidemiologist. You are right. The 4.85 is more than 4 or 5 people.

Senator Gary Lee: The numbers that we worked through come to $14 million in the last proposal, that would add an additional FTE. It wasn't specified necessary where it would be in those categories, but it would add an additional person.

Senator Mathern: In addition, beyond the present or the 4.5?

Senator Gary Lee: It would total the FTE's to 5.85.

Chairman Kilzer: We do have another meeting here at 11, and I would like to spend time asking about the forensic and how that is going? In previous sessions, we have had financial situations where the autopsy financing was up in the air. First of all, with the financing between Grand Forks and Bismarck, is that stabilized? What is the situation?

Arvy Smith: We have $480,000 in the Dept. of Health budget that is contracted to UND to do the autopsies. Last time, we had proposed $640,000, but $160,000 of that is coming through the university system. That was a late amendment that was made, so in total, they are getting $640,000.

Chairman Kilzer: Is the $160,000 in SB 2003 for next biennium?

Arvy Smith: As far as in the governor's budget, I believe it is. The status now, I don't know. Our proposal was to hold them even, even though we were doing 10% cuts in various places. We were able to hold that piece even at the $480,000 and I am not sure of the status of the $160,000 and higher ed. university budget.

Chairman Kilzer: Everything else is running smoothly?

Arvy Smith: Yes, I believe it is. There is about 50/50. We split out the block of counties that UND medical school covers versus what the state covers. We do believe it is working well. We do provide them additional funding for if our forensic examiner needs to go on training or actually take a vacation. The we pay UND an additional $2000 for an autopsy.

Chairman Kilzer: There is more than 200 done annually in each location?

Arvy Smith: Probably about that, I can get those numbers to you.

Senator Mathern: There is a new director at the Dept. of Health. Are we going to get an input in terms, for example what happened this morning? It looks like the work of 8 people is for 1 person and spread to the rest of the people already there? Is your testimony indicating that will work or are we going to hear from someone else on that?

Arvy Smith: Certainly there will be less effort in tobacco. If you go from $24 million down to $14 million. There will certainly be less effort, but some of that is less advertising. We don't see that really having an impact on the number of staff we need. The biggest impact I can see is managing that grant program. The evaluation there is a gap there. If we can't get it done in house, we would probably restructure things within and make that work.

Senator Gary Lee: Just to switch topics, the medical marijuana division in your budget would add 5 FTEs? Or is it still in a state of flux based on that bill?

Arvy Smith: The Burgum budget has 13. We started at 32. If 2344 stays in tack with regard to patients and caregivers not being able to grow marijuana all over the state, we are able to bring that fiscal note down significantly to the Governor Burgum of 13 FTEs. We would potentially need more in the following biennium because in the first biennium we will still be setting up. Although some of the 1st time expenses will go away, it will take us a year to get product available. We probably will not have as much enforcement and regulation that first biennium.

Senator Gary Lee: In terms of your budget going forward, wait and see how that bill comes out. Make changes down the road if necessary.

Arvy Smith: There is a little bit of difference between the fiscal note between 2344 and what is included in the Burgum budget. I think it is a little lower.

Chairman Kilzer: We will need to close the hearing. We need to know what the other two budgets are going to be before we bring 2004 to the whole Appropriations committee.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004 (Subcommittee)
2/13/2017
JOB # 28274

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Sandy Baumgartner for Alice Delzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee Hearing for the Department of Health

Minutes: #1,#2

Chairman Kilzer called the Subcommittee to order on SB 2004. 10:30 AM in the Harvest Room. Let the record show that all 3 members of the subcommittee are present: Senator Gary Lee and Senator Mathern. Becky Deichert, OMB and Sheila M. Sandness, Legislative Council were also present. Today we want to clarify what might be in the amendments to allow the Health Dept. to meet their additional obligations. First, I would take any comments from the other members of the subcommittee.

Senator Mathern: I have a couple of amendments. #1 These are not new. I tried to get them redrafted, but I don't have them done. I would suggest we still consider proposed amendments to section 54 -27-25 and sections 23-38-01. Even recognition of SB 2024, I would suggest we still address those two issues and make that change. It is being drafted. In 54-27-25, we would exclude the minimum of the 80% requirement of being used for tobacco prevention and control and we would exclude the option of taking money from the Water Trust Fund to continue activities on the tobacco prevention control when those monies are not adequate. These are activities that I don't see being used at all. On the second section on 23-38-01, 02, and 03 are again sections in the Century Code that we do not use at all. Again, it is a clean-up. The main item I would like to bring up is a clarification for the Health Dept. on how they would carry out the tobacco prevention and control functions. I have the wording sent up to Legislative Council. The intention is that if Breathe ND is closed down, and the functions are transferred to the Health Dept. those functions need some oversite. So various activities would be reported on so we have assurances about those functions being carried out and to what degree, and to stay on top of the studies that relate to the impact on the work. Is the use of tobacco going up or down, or staying the same and reporting that data to the budget section over the next biennium? That would be a separate amendment.

Senator Gary Lee: That is just a reporting requirement?

Senator Mathern: Right and determining how it follows the CDC guidelines.

Senator Gary Lee: The 80% of the 10% is the first one? On the back is the trust fund money that goes toward water projects, that is language that would be removed? I would have to review the 23 sections there.

Chairman Kilzer: If the action that we plan on taking on and 2024 passes, would it be necessary to do the two things you are recommending, the change of the 80–20 and the change that you would be asking to excess the Water Development Trust Fund?

Senator Mathern: They wouldn't be necessary under either condition where we have 2024 funded or unfunded. I think it would be useful under either condition, whether we are funding that agency or not to take things out of the Century Code that are not used and actually take the money of the water fund, and take it out of the Century Code and not assume we are going to do that. Whether Breathe ND goes forward or not, it makes sense to make that change. It is really not conditional on that.

Chairman Kilzer: I would like to ask Arvy to reference the large budget, on page 2 or 3. Go over those 4 items that are the changes to the Dalrymple budget compared to the Burgum Budget. Give them a copy. Base Level Funding Changes.

Arvy Smith: Is the question about the Gov. Burgum's adjustment to the budget? Explanation was shared about the changes by Burgum regarding FTE. #2 The 1% compensation numbered there, is that incorporated somewhere else? I'll talk about the FTE removed from environmental that is $139,000 and the 4 FTEs from the medical marijuana program, which is the $524,278. The other bolded numbers there, the $100,000 reductions are from the colorectal cancer program and the $288,000 is the operating and such from the medical marijuana program. That is budgeted. Medical marijuana was put in a separate line item, because of the difficulty in estimating. That would give more control, so that if there was extra money in there, we would not be able to spend it on other things.

Chairman Kilzer: $280,000 is just the operating, it is not part of the salaries for the 4 that are being reduced?

Arvy Smith: Correct, that would all being hitting the special line item that was established in the governor's budget. If you are going back to original budget, I don't know if it is your choice to do it that way and incorporate those into a special line item or leave them spread across the department.

Senator Gary Lee: For those items related to marijuana, the FTEs, and operating; given that bill is still out there and maybe some other changes are being made, are you comfortable with those numbers?

Arvy Smith: The Burgum numbers are a bit higher than the fiscal note. The fiscal note reflects a reduction of when we originally did the estimate on the measure because 2344 eliminates the individuals growing their own marijuana over the state and that would have a large effect on the fiscal note. The actual fiscal note on 2344 is less than what is in the Burgum budget. I didn't hear a lot of opposition on it.

Senator Mathern: On the same vein as Senator Gary Lee's question, it appears smoking is probably going to be added to that bill as an option use of marijuana. If that were to be the case, how would the Dept. of Health handle the messaging of decreasing the smoking marijuana? How does that get handled? Is there a fiscal impact of your department if smoking is in or out for marijuana?

Arvy Smith: We did not see a fiscal impact on that smoking factor. We would want to do some education. I heard a proposal that if the physician certifies that the individual has a disease and they may benefit from the smokable form, it will be allowed. We did not see a fiscal impact on that. The biggest concern, if they are doing that in their homes in the same room with small children. As far as doing it in public, they cannot do it in public or work places. It would follow the same laws as cigarettes.

Chairman Kilzer: Continue on the review of the Burgum budget.
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Arvy Smith: I believe that is it. I mentioned the reduction in the cancer and then the operating in other things related to the marijuana was the $280,000.

Chairman Kilzer: On the next page, there's 4 items on the left column, section 3 authorizes the department to spend $250,000 for ground water testing program. On section 4, about the $1.25 million in the insurance tax distribution fund.

Arvy Smith: I don't believe this is a change we have gotten $250,000 from Environmental Range Land Protection Fund for ground water testing. Then $50,000 of that goes to the North Dakota Stockmen's Association. I don't believe that is a change from practice that has been done for several biennium. The Insurance Tax Distribution Fund has been in place as well for the Rural Emergency Services Grants accessing part of that fund for part of those grants that has in place for several biennia's as well. The $500,000 from the Strategic Investment and Improvement Fund, in the past couple of biennium's, we had general funding for that and this one has it coming from Strategic Investment and Improvement Fund instead. I believe that was the OMB. I believe the ONB's intent was to put one-time type funding directed at the Strategic Investment and Improvement Fund and the $500,000 law suite with EPA was viewed as one-time funding.

Chairman Kilzer: I did recognize these from previous budgets. Is it really a change to the Dalrymple budget? Had he left them out and then they were put back in? is this a misprint where it says changes?

Arvy Smith: Not those 3 items. There is a 4th one there, it makes the medical marijuana line item an appropriation and puts in an emergency clause on, so as soon as it is signed, we can hire more people and get the work done faster. The budget is effected this biennium.

Chairman Kilzer: One last item is in reference to your handout that has a bottom figure of $12,697,000. I would like to discuss that. What I am looking at is the amount of grants and distributions that go to local public health units. I have the figure that during the existence of the tobacco prevention and control committee that the figure was about $8 million distributed around the state. If the Tobacco Prevention and Control was abolished that would drop to

about $3 million. How does this proposal affect public health units across the state? How would this remedy that problem?

Arvy Smith: Your question is about the state and community based interventions numbers?

Chairman Kilzer: Mainly yes, it is the $12,697,000.

Arvy Smith: What this proposal does, it looks at providing $3,750,000 for 15 regional tobacco coordinators. Then $1 million would be through a formula based tobacco state aid.

Chairman Kilzer: The $3 million is not for just tobacco, that's for all purposes? The headline on the top of the page says tobacco services.

Arvy Smith: We will need to have clarify on how much you want out for other purposes versus tobacco.

Chairman Kilzer: On this one page, what would be the benefit to the public health units? Total.

Arvy Smith: So there is also an amount up to the top for $900,000 that goes to local public health units. So the $900,000 and the $375,000 and the $1 million would all go to public health. I guess if it is your intent that you want some of that to go as state aid for other purposes we would need to know that. Our assumption was that this was all tobacco money and was to be used for tobacco purposes.

Chairman Kilzer: How about the ones we haven't talked about? Are they all for tobacco?

Arvy Smith: They are entirely for tobacco only.

Chairman Kilzer: So when you add that all up, obviously it's more than the $3 million plus the $1 million. All these others would have to be added in for a grand total of $12 million something.

Avy Smith: $12,697,000 yes.

Senator Gary Lee: So the local public health is the $900 up to the top, the $3.7 million and $1 million all for public health units. So about 5.75 in round numbers and that money is a combination of federal dollars, tobacco trust fund dollars, state dollars and where else?

Arvy Smith: All those amounts are new and coming from the Tobacco Prevention and Control Fund. They were not in the governor's budget which all of our money is either federal or Community Health Trust Fund. So this $900,000 and the 3750 and $1 million would all be from Tobacco Prevention and Control Fund. The non-tobacco and prevention and control would be 5.697 is federal or Community Health Trust Fund. The rest is all Tobacco Prevention and Control Trust Fund.

Senator Mathern: I have two questions. One relates to the method of distribution of those grants. We heard that they would be competitive grants. I want some clarification and how each entity would get those grants.

Arvy Smith: How do you want to distribute those? There are several options. We could do a total competitive grant. We could do a regional type basis and formula part of it. We could formula the whole thing. We could do parts of each. I guess that gets back to my clarification needed if it is the intent that all of this be used totally for tobacco purposes. We would want to do some planning and look at the outcomes we are trying to achieve to align that process to best be able to achieve those outcomes.

Chairman Kilzer? Do you have a preference?

Arvy Smith: I guess it is up to your discretion. I would want to establish goals and objectives. We will need to have a planning session and involve the stakeholders, including local public health. All of this is for local public health. I don't know if a formula gets us there. I don't know if there is enough to have a full time people around the state so we thought a regional approach would allow us to set something up.

Senator Mathern: If we take, health communications, there is a lot of federal health advertising going on. I did some checking on that. There are different levels of ads out there. It doesn't bring more knowledge or change the behavior. How would that be accomplished? It seems to me that the federal dollars are a general message about smoking. They don't change behavior. I am wondering if there is the ability to meet CDC requirements just by using the federal advertising that is out there.

Krisa Flemming: ND Health Dept.: In reference to the federal campaign, one of them that is run in the paper for Center of Disease Control is the tips from former smoker's ads. I am sure they are all people who have previously smoked and they are giving tips and helping people to quit. There were studies that show the number of people who were driven to actually quit because of those advertisements. There was a study on the FDA. It is called The Real Cost Campaign, that is a youth tobacco campaign. They through their evaluation and research, have determined that X number of the youth in the US were influenced not to start smoking due to those ads. I can send you those.

Senator Mathern: Are you saying that the amount here that would be granted to health communications, which is less than we are using now would still meet the CDC requirements in terms of reductions of smoking behavior?

Krisa Flemming: I don't know if we can predict that, but the funding left in the budget would be to do things that are specific to ND that we want communicate, such as promoting ND Quits. I could see some secondhand smoke awareness advertising being done with that $1.2 million as well. Certainly there are other unpaid activities that can be done through health communications, press releases, interviews with the media on the local level. That is where the public health units could still play a role in the messaging and approach for health communications.

Senator Gary Lee: You talked about those competitive and noncompetitive grants and there was some century code looked at. Maybe we should have an amendment so we know what we are talking about and discuss that further next time. The other thing is the 5.8 FTEs on the $12.6 million sheet. Is that the number you are suggesting for that amount of dollars?

Arvy Smith: Our budget without the center was at $4.85 and so to manage that grant program with local public health we would need an FTE. So we would need a 5.85 then. As far as your earlier question 23-38, we looked at that somewhat. There is a formula in there now that if it is not intended to go the formula needs to be removed. We have interest in keeping the advisory committee in providing direction and input to where this whole thing goes. We will have that latitude. We are going from 24M to wherever. Anywhere from 8.6 to 12-14. There might be different ways to allocate that. I don't know that we have to prorate it between the 5 CDCs suggested areas. No matter what we do, we are not going to meet CDC's recommendations going to that lower number. Where are the most useful places to have that? Those are all being decisions that we will be making internally and we will seek input on that. Whether we do that through an unofficial task force of stakeholders or through a formal advisory committee is something we will have to decide.

Chairman Kilzer: We will be meeting again. Thank you.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004 Subcommittee
2/15/2017
JOB # 28422

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for the Dept of Health

Minutes:

1.Base Level Funding
2.Draft Comprehensive Tobacco Program
3.Proposed Amendment #17.0512.01003

Chairman Kilzer called the Subcommittee to order on SB 2004 in the Harvest Room at 2:45 pm. Let the record show that all members were present: myself, Senator Gary Lee and Senator Mathern. Becky J. Keller, OMB and Sheila M. Sandness, Legislative Council were also present.

Senator Kilzer: This will not be the final meeting of 2004. We do want to clarify from Sheila about the long sheet.

Sheila M. Sandness: The long sheet, updated the middle section with the revised budget recommendation. So if you look to the right side you can see those are the differences between the Senate version and the revised executive recommendation. At this point I have two items on there and they are the employee portion of the health insurance and then the additional FTE and additional funding for the Tobacco Prevention and Control funding that will be going to the Health Department. The Testimony attached #1. Base Level Funding Changes. And explained the changes. (0.3.22)

Senator Kilzer: To be sure we are working at the same subtitle. The grand total in the lower right hand corner is $13,147,741. That would include $3.2M from the Community Health Trust Fund, and then there is also. Senator. Kilzer: Does that appear anyplace else? Sheila Sandness: They don't have it broken up by funding source on here. Senator. Kilzer: So it's a summation actually. Sheila Sandness: replied yes.

Senator Mathern: What is the total amount then taken from the Tobacco Trust Fund and placed into the Department of Health?

Sheila M. Sandness: Has Testimony attached #2. Draft Comprehensive Tobacco Program. The Tobacco Controlled Trust Fund had funding going to local public health of $3m for grants

that would have been included in those changes that were brought over in the middle section. So then you would be increasing that $3M by $7.4, so it would be roughly $10.4 I believe.

Senator Kilzer: I think that is on the high side.

Sheila M. Sandness: I am looking at the base budget (0.06.)

Senator Mathern: If there is some un-clarity about that, maybe it could happen.

Sheila M. Sandness: There were base budget changes when they submitted their budget that affected the tobacco prevention laws and so they need to be taken into account when we make these adjustments and it could be my number is higher, because of those base budget reductions that they made, and so I am trying to come up with a difference. So I might need to get together with them just to make sure that I can account for those base budgets changes that they put into the system when they submitted their budget. So I can calculate that number, but it looks like my number is a little high, as compared to her number and we have to figure out the difference. Then I can email you and let you know what the final number would be. But then I can draft the amendments after I get that final number from the department too.

Senator Kilzer: It was my impression the number would be about $6.5M. Sheila Sandness: It could be that I am off by the federal funds too. That might be part of the change that they put in to their base budget. Senator Kilzer: But the amount you ask from tobacco was about $6.5M for local public health grants.

Senator Gary Lee: I agree. I think your number is closer than Sheila's. We'll just have to let them figure it out in terms of what there double counting.

Senator Kilzer: Do you know what you want to do to come up with the accurate number. I know you said you had some questions along the way and go ahead so has that one been answered.

Sheila M. Sandness: If I work with the department, just to make sure we get to the right bottom line, and are actually able to tie up with this sheet, where we will get the amendment drafted to make sure that everything's in the right line item by the right funding source. But I did have some other questions second page. Some of the other sections of the bill. I am assuming you didn't change any funding sources for any of these items, so the 2 sections at the bottom of the page 2 would remain the same and just move over, they have to do with the Environmental Rangeland Protection fund. And the Insurance Tax Distribution Fund, so since we didn't change those would stay the same. The 3rd page the Strategic Investment and Improvement Fund out of the SIFF fund currently, or the Senate wanted it to be a one-time funding or would that be going in as ongoing funding from the SIFF fund?

Senator Mathern: Was it one-time funding this biennium?
Sheila Sandness: It was funded from the General Fund, the SIFF fund, I don't recall if it was on the one-time funding schedule.

Senator Kilzer: Governor Dalrymple had it in the SIFF and Governor Burgum did not change and not one time. Leave it unchanged. Sheila Sandness: And not one-time? Senator Kilzer: no. It's more of a continuation but same amount.

Sheila M. Sandness: The Student Loan Trust Fund, we just thought it would be best to add a section in there identifying that as some special funds that are available for the dental loan repayment program, since that is coming from a fund that they don't normally use. It was in the recommendation that way.

Senator Kilzer: There has been some reference to that but no changes.

Sheila M. Sandness: This is just adding a section to identify it, it is not changing anything that, but it's in there funding and so we try to break out those special funds in the bill. It makes it easier to tract them for budgeting purposes to make sure we don't overspend in some of those special funds.

Senator Kilzer: Those are dental students. It's hard to cut them off when they are 3 years out of 4 into their program or some such thing. I heard nothing about cutting them off or changing it or changing the amount.

Senator Mathern: In that regard, in the past bills regarding nurse education, that would be using a Student Loan Trust Fund of some extent. I am wondering if that is in here? I believe we passed a bill to permit especially nurse educators to get some help so we can get more nurse graduates. Has that been here and if so where?

Sheila M. Sandness: I believe that came from the Interim committee bills that you're talking about I think that came from the House Services committee. It didn't include, it just puts them in the funded pool that the Health Department has for medical loan providers. You could if you wanted to add language in here to identify that they are now part of that same pool of individuals that are looking for grant money for loan repayment, along with nurse practitioners and physicians and behavioral health individuals. I guess that is one way to do it, but I don't think that bill had an actual funding source attached to it.

Senator Mathern: I am a little afraid if they don't' have some notation in here, they actually won't be able to access this fund.

Senator Gary Lee: That fund has been sought out in several different bills. Somebody is going to have to balance this out at some point because I think there that as more asks than there is money.

Senator Holmberg: Right as this morning when we met on higher education, the student loan trust fund was very close to the amount of money that instead is actually in there. A couple of weeks ago, it was way over subscribed to, but the removal of the challenge grant money of $23M from that brought it back into somewhat of a balance, but it is not balanced and won't be balanced until April. But it is much closer today than it was a couple of weeks ago.

Senator Kilzer: Further questions?

Sheila M. Sandness: The next one is to amend Chapter 23-38, and that's related to the Community Health Grant Program, and I had some questions on what the committee's desire was or thoughts on that section. They include some grants (0.15.22) rewarded under the program are awarded on a non-competitive basis, and there was some discussion about removing that. Is that still the committee's wishes to amend that section to take out the requirement that the grants must be awarded on a non-competitive basis to make them competitive or what was the committee's there.

Senator Kilzer: Arvy Could you address that part on the long page.

Arvy Smith: Co-Director Dept of Health: We had concerns about taking the formula out of there, and looking at another means of distributing the funds. We had some discussion about keeping the advisory committee or not. Originally we had thought about keeping that but if there's not a desire to keep the committee I guess we thought the whole chapter was going to be repealed.

Senator Kilzer: That is true. The $20,000 for the Advisory Committee was not included in our requests.

Sheila M. Sandness: So we can repeal the chapter? Senator Kilzer replied yes.

Senator Mathern: Are we talking about the same advisory committees. I think the advisory committee, I am wondering if your amendments eliminate the committee for Breathe. ND, but there is another committee that has been inactive for the Department of Health that I had one point suggested that we eliminate if we kept Breathe ND, but now if that were to pass and we don't have Breathe ND, they might want to keep it I think there are two advisory committees we are mixing up here.

Senator Kilzer: I was not aware of any other committee besides the one that is by measure three, which is a 9- person committee appointed by the governor and called the Tobacco Prevention and Control Committee, and within those 9, there was 3 that served on the Executive committee, can you describe any other ones Senator Mathern?

Senator Mathern: There is another committee in Section 23 of Century Code, been dormant I suggested we eliminate it. If we keep BreatheND alive, but if we aren't I don't know and maybe that committee should stay there, but the department is assuming were eliminating it when we aren't, or we haven't yet acted to eliminate it.

Arvy Smith: That the committee was used back when there was funding in this Community Grant Program, that's in 2338, and then when that grant program disappeared that committee disappeared. That committee is not functioning at all, because that committee's purpose was to review the grant applications and award those grants so that committee does not exist today, in 2338.

Senator Kilzer: Is there any reason to bring it into the bill at all.

Arvy Smith: We've continued to visit with local public health, and are looking at an agreeable formula, and approval, and if we've got the FTE to review those grants and make sure that

is all working fine. I guess we would probably work informally with local public health and other partners, as far as planning and distributing the grants. I don't know if we need one but particularly with planning we'll bring in a multitude of stakeholders informally to do planning and then if we formula the grant, I don't know if we need to do that.

Senator Mathern: Even though someone says the committee doesn't exist, it doesn't mean it is not in the century code. It is in the Century Code, now that it not being used but it is in the Century code.

Senator Kilzer: Sheila see if it is in the century code and remove it if it is.

Sheila M. Sandness: Legislative Council, We are going to add a section to amend subsection 1 of section 54-27-25 which then removes that restriction requiring 80% of the transfers from the Tobacco Settlement Trust fund to the Community Health Trust Fund that must be used for tobacco prevention and Control. So that removes the restrictions, however that $3.2M is still appropriated out of there for that purpose. But it is not restricted any longer. And the last item is to add the emergency clause for the appropriation contained in the medical marijuana line item.

Senator Kilzer: The things that you mentioned do you know how we want it now. Do you have the removal of the 5 FTE, the one from the air quality part and the 4 from the marijuana, do you have that?

Sheila Sandness: I believe that you're talking about the in the revised executive recommendation, those are included but moved over into the middle section of the summit version. Those would be removed as well. If that is the committee's wish.

Senator Kilzer: Yes, it is.

Senator Mathern: In light of having some more meetings. I would like to hand out an amendment for 2004 for consideration at our next meeting. #3 amendment # 17.0512.01003 and explained the amendment. I will offer this at our next meeting but I wanted to let you have this for our next meeting. We would want to have a report on how that programing is done in the Department of Health and stay on track with that. (22.45-24.39)

Senator Kilzer: Thank you for presenting this to us we will vote on this next meeting. Do you know when the amendments will be ready as we would like to move the bill out.

Sheila M. Sandness: We can have this done by late tomorrow.

Senator Kilzer: I would like to get them in front of the whole appropriation committee. He asked Senator Mathern if he would like us to vote on your amendment? Let's vote on it on subcommittee. The hearing was closed.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004 Subcommittee
2/17/2017
28487

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature for Alice Delzer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for Department of Health

Minutes: **Testimony attached #**

1.Proposed Amendment # 17.0512.01004.
2.Base Level Funding Changes
3.Proposed Amendment # 17.0512.01003 (Mathern)

Chairman Kilzer called the subcommittee to order on SB 2004. Those present were Senator Gary Lee, Senator Mathern, Sheila M. Sandness, Legislative Council, and Lori Laschkewitsch, OMB were also present.

Sheila Sandness, Legislative Council, was called to the podium to explain the changes to the bill. (see attachment 1 If you look at attachment 2 you will see where the differences to the revised executive recommendation would be most evident." She went over the different types of grants listed on attachment 2. "So if you go to your Amendment now, (see attachment 1) the first page of the Amendment, you can see the dollar amounts on page 1, those are the new dollars that will go into the bill. If you go down to the tobacco prevention line, it is 12,147,741 dollars. Which is one million dollars less that what the schedule was that was provided because the 1 million dollars is moved up into that grants line and it's part of that 56,135,670 dollars. So there is an increase in the grants line and in the tobacco line from the base budget." She continued to go over the rest of the Amendment.

Chairman Kilzer: "Now that is going from 4.85 to 5.85?" He also questioned Sheila Sandness about adding 1 FTE and increasing the funding for Tobacco Prevention. He was told that was correct.

Senator Gary Lee: "The stroke and cardiac programs, that's the same number up in the footnote 12 there, those are the same numbers that were originally proposed, aren't they?"

Sheila Sandness: "Yes, that is correct. I believe the cancer programs includes the colo-rectal screenings, but I am not 100% sure. That may be a question for Arvy."

Senator Gary Lee: "They were separate before? I thought in the trust fund it showed those both. The numbers look the same."

Arvy Smith, Co-Director of Health Department, "The colo-rectal cancer program was 519,207 dollars. We had decreased it 100,000 in the Burgum budget because of the new testing that's available that is a lot cheaper and screens out some of those individuals."

Senator Mathern: "What is the rationale for the one-time funding related to the Medical Marijuana Division?"

Sheila Sandness: "I believe it's for one-time costs for setting up systems; for administration and regulation of the division. There would be one-time costs for IT equipment and programming and that sort of thing."

Senator Gary Lee: "The one-time funding of 1.197 is included in the 6.2 up above?" He was told yes.

Senator Mathern: "I wanted to hand out these other Amendments. I hope we can add to this. Testimony attached # 3 Amendment # 17.0512.01003 - I see this going along with the Amendment you handed out, Mr. Chairman. So these Amendments here are essentially recognizing that if that were to pass, and we closed down the Center then we'd need to track what we are then accomplishing in the Department of Health. So this Amendment asks for a tracking of the outcome data specific to the CDC Prevention and Best Practices; recommendation, and also asks for a tracking of the grants that are put forward and the funding amounts awarded. Then also asks the department to have a comprehensive plan. It's clear they couldn't come up with a comprehensive plan without both of these bills passing, one of them eliminates the Center and one incorporates the center's work. So it just directs that this plan be put together and then be reported to the budget section and legislative management. I think it's important that we track this dramatic change and outcome which will help us in future decision making."

Senator Gary Lee: "I am wondering if marijuana isn't already done in the data collection and other things they have to do? It seems there is a lot of things in here, already done."

Senator Mathern: "The way I understand it, much of this work is presently being done by the Center and tracking has been helpful for us to determine the last 8 years of activity. This would transfer the data collection responsibility so we know the outcomes going forward."

Chairman Kilzer: "There is already two different types of evaluations done. One is under the CDC and the 2nd is the money from Community Health Trust Fund and that is the risky behaviors studies.

Senator Mathern motioned to Adopt the Amendment. #17.0512.01003. Senator Gary Lee seconded.

A Roll Call Vote was taken. Yea: 1 Nay: 2. The motion failed.

Senator Gary Lee motioned to Adopt the Amendment. # 17.0512.01004. Senator Mathern seconded the motion.

A Roll Call Vote was taken. Yea: 2 Nay:1. The motion carried. The subcommittee hearing was closed on SB 2004.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004
2/17/2017
JOB # 28502

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Alice Delzer

Explanation or reason for introduction of bill/resolution:

A DO PASS AS AMENDED for the Department of Health.

Minutes:

1.Proposed Amendment # 17.0512.01004
2.Proposed Amendment # 17.0512.01003

Chairman Holmberg: called the Committee to order on SB 2004. All committee members were present. Lori Laschkewitsch, OMB, Levi Kinnischtzke, Legislative Council and Allen H. Knudson, Legislative Council were also present.

Senator Kilzer: continuing on with the tobacco issue if you turn to page 4 of the amendments you can see the changes in footnote # 11. 1 FTE is added for tobacco prevention and control and funding is increased by $6.4m from the tobacco prevention and control trust fund. The total funding that's including what continues in the Health Dept. and the tobacco prevention and control committee adds up to $12.1m all together. So what the Health Dept. has done as far as FTE's, they have gone from 4.85 to 5.85 for their tobacco efforts in their division of chronic diseases. And if you also look in footnote # 10, funding for grants for local public health units is increased. That is what has been done in the local public health units by this amendment. The budget of this agency is a little over $190m of which about a little more than ¼ comes from the general fund. There is various other sources of funds, the general fund doesn't look to bad.

Senator Kilzer: moved the amendment # 17.0512.01004. 2nd by Senator Gary Lee.

Chairman Holmberg: I have a question. Funding for grants to local public health units, a total of 5.25. Is that for all of the money that goes out to public health and how does that compare to what they had in the past.

Sheila M. Sandness, Legislative Council: That actually an increase of $1m from the base budget. In the governor's recommendation there was a funding shift. It was 4.25m of which 3.25m was general fund and $1m was the tobacco prevention control trust fund. That was increased by the subcommittee to $2m from the tobacco prevention control trust fund. So it's a million dollars more than previous biennium. that goes out as general support, not identified as tobacco. (0.04.46)

Senator Mathern: Just a clarification, just so we know that there were grants going out from the Dept. of Health before we closed down the center with the last bill and this is not adding all of the money that was going out. I want you to know that the amount going out to the public health units in some of both agencies is not now as much as the past.

Senator Kilzer: That is correct. If you add the summation of the present situation it will not total as much as being from one source, that's true.

Chairman Holmberg: Discussion? Call the roll on Amendment #17.0512.01004 to SB 2004.

Senator Mathern: I want to clarify for everyone that I have a further amendment. It does not change the amendment but adds to it. The amendment would be a further amendment.

A Roll Call vote was taken on the amendment. Yea: 12; Nay: 2; Absent: 0. It carried.

Senator Mathern: I am handing out Amendment # 17.0512.01003.

Senator Mathern: I move Amendment # 17. 0512.01003. 2nd by Senator Robinson.

(0.08.16) Senator Mathern: Our action on 2024 essentially transferred the responsibility of anti-tobacco programming to the Dept. of Health and closes the center. This further amendment essentially puts in detail what Senator Robinson eluded to in terms of us having knowledge in the future about where to go. This amendment directs the Dept. of Health to actually have a comprehensive plan in place in terms of tobacco programming. It asks the Dept. of Health to put together the outcome data relating to the Centers for Disease Control and Prevention Best Practices for comprehensive tobacco control program in the five best practice categories. It asks for the studies to be done to give us the data in the future, how the program is being delivered, what the outcomes are and to have that data reported regularly to the budget section and to legislative management. I think it is good public policy that we look at data in making future decisions and this is what this amendment calls for. (0.10.25)

Senator Kilzer: I would ask that we reject this amendment as we did in the subcommittee. This would be the third item under what I call the category of surveillance and evaluation which is one of the 5 parts of the CDC. We already have in the budget money for this item, so that's already included. And we also on the second area, the community health trust fund finances the risky behavior study that comes out every year. While that's much more broad than just tobacco, it does include, especially the youth part of it This would be the 3rd item in the overlap of surveillance and evaluation and I would recommend that we not add this burden on to heavily burdened Health Department.

Senator Mathern: The activities that you note are going on with the Dept. of Health. They are not comprehensive to the actual best practices in all of the areas. And to the degree that they are, this is not asking them to do it twice. To the degree that they are doing those kinds of things, that's wonderful. This just says as long as we're adding those other functions of tobacco prevention and control also measure those other functions. So I see this is as a

comprehensive report. Including the pieces, they have done before, this is not to fund things that are already done or to do something different. This is just to enhance what they are already doing and to give us the full picture so we make a good decision in the future about our efforts in this regard. This would be very helpful for us; it would be very helpful for the public and helpful for these entities that have to work together in a different format to make sure there is a plan that everybody is following throughout the state. This is new partnerships now, with new entities, a new granting procedure for example, It wasn't even clear whether the grants would come out to the individual counties and public health units as a automatic based on population or a competitive grant. Where grants from Cass County would be competing with Rolette County and so those are the kinds of things that are unclear. And this just says, just clarify all of those things, report those things and everybody knows what the rules are. I hope we can adopt this amendment and put it in with 2004.

Chairman Holmberg: any further discussion? Call the roll on Amendment # 17.0512.01003.

A Roll Call vote was taken. Yea: 3; Nay: 11; Absent: 0. It failed.

Senator Kilzer: Moved a Do Pass as Amended. And 2nd by Senator Gary Lee.

Chairman Holmberg: Call the roll on a Do Pass as Amended on 2004.

A Roll Call vote was taken. Yea:12; Nay:2; Absent: 0. Senator Kilzer will carry the bill.

Chairman Holmberg: I fully anticipate Senator Mathern will have floor amendments. That is fine. The hearing was closed on SB 2004.

17.0512.01003
Title.

Prepared by the Legislative Council staff for
Senator Mathern
February 13, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

Page 1, line 2, after "health" insert "and to provide for legislative management reports"

Page 2, after line 16, insert:

"**SECTION 4. TOBACCO PROGRAM - REPORTS TO BUDGET SECTION AND LEGISLATIVE MANAGEMENT.** The state department of health shall develop an annual tobacco plan by July 31 of each year and provide quarterly written and oral reports to the Budget Section on the status and progress of the tobacco plan. The reports must include expenditures, a list of all funded strategies, and outcome data specific to each strategy compared to Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program recommendations in each of the five best practice categories. Outcome data must include the status of how the strategy is decreasing and preventing exposure to secondhand smoke, preventing youth tobacco use, increasing tobacco cessation, and how health communications are meeting target gross rating points. The reports must provide information on grants and contracts, including number, types, and funding amounts awarded or expended, and provide the number of comprehensive policies and local ordinances enacted to create tobacco-free and smoke-free places and to restrict youth access to tobacco in retail stores. Annually, the state department of health shall provide for an independent evaluation of the tobacco program to assure that the tobacco plan is consistent with the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program. By October 31 of each year, the state department of health shall report to the legislative management on the independent evaluation recommendations and the status of incorporating the recommendations into the tobacco plan."

Renumber accordingly

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2/17/17
1 of 5

17.0512.01004
Title.02000
Fiscal No. 3

Prepared by the Legislative Council staff for
Senate Appropriations Committee
February 17, 2017

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

Page 1, line 2, after "health" insert "; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency"

Page 1, replace lines 12 through 22 with:

"Salaries and wages	$62,805,918	$1,610,189	$64,416,107
Operating expenses	40,598,335	(2,203,877)	38,394,458
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	(961,090)	56,135,670
Tobacco prevention	6,910,177	5,237,564	12,147,741
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	6,236,376	6,236,376
Total all funds	$190,506,422	$10,470,670	$200,977,092
Less estimated income	141,970,854	13,917,350	155,888,204
Total general fund	$48,535,568	($3,446,680)	$45,088,888
Full-time equivalent positions	365.00	12.00	377.00"

Page 2, line 1, after "**BUDGET**" insert "**- REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 3, after "biennium" insert "and the 2017-19 one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 10 with:

"Environmental equipment	$780,000	$0
Forensic examiner digital x-ray equipment	44,000	0
Women, infants, and children system upgrade	1,712,110	1,739,220
Medical marijuana	0	1,197,903
Total all funds	$2,536,110	$2,937,123
Less estimated income	2,200,110	2,937,123
Total general fund	$336,000	$0

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The state department of health shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, after line 16, insert:

"**SECTION 4. INSURANCE TAX DISTRIBUTION FUND.** The estimated income line item included in section 1 of this Act includes $1,250,000 from the insurance tax distribution fund for rural emergency medical services grants.

SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The estimated income line item included in section 1 of this Act includes $500,000 from the

CK
2/17/17
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strategic investment and improvements fund for legal fees related to an environmental protection agency lawsuit.

SECTION 6. STUDENT LOAN TRUST FUND. The estimated income line item in section 1 of this Act includes $360,000 from the student loan trust fund for dental loan repayment program grants.

SECTION 7. TOBACCO PREVENTION AND CONTROL TRUST FUND. The estimated income line item in section 1 of this Act includes $11,078,195 from the tobacco prevention and control trust fund for tobacco prevention and related health programs.

SECTION 8. AMENDMENT. Subsection 1 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:

   a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund ~~of which a minimum of eighty percent must be used for tobacco prevention and control~~.

   b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.

   c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

SECTION 9. REPEAL. Chapter 23-38 of the North Dakota Century Code is repealed.

SECTION 10. EMERGENCY. The funding included in the medical marijuana line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

CK
2/17/17
3 of 5

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$62,805,918	$1,610,189	$64,416,107
Operating expenses	40,598,335	(2,203,877)	38,394,458
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	(961,090)	56,135,670
Tobacco prevention	6,910,177	5,237,564	12,147,741
WIC food payments	20,200,000		20,200,000
Medical marijuana		6,236,376	6,236,376
Total all funds	$190,506,422	$10,470,670	$200,977,092
Less estimated income	141,970,854	13,917,350	155,888,204
General fund	$48,535,568	($3,446,680)	$45,088,888
FTE	365.00	12.00	377.00

Department No. 301 - State Department of Health - Detail of Senate Changes

	Adds Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Removes 1 FTE Environmental Health Position[3]	Base Budget Reductions[4]	Restores Base Budget Funding[5]	Cost-to-Continue Existing Programs[6]
Salaries and wages	$1,126,755	$1,074,628	($139,041)	($643,301)	$81,148	
Operating expenses				(3,348,403)	2,066,243	(2,415,937)
Capital assets						
Grants				(358,156)	865,000	(1,941,114)
Tobacco prevention	48,856	14,368				(1,278,993)
WIC food payments						
Medical marijuana		48,654				
Total all funds	$1,175,611	$1,137,650	($139,041)	($4,349,860)	$3,012,391	($5,636,044)
Less estimated income	404,755	549,367	(27,808)	805,115	0	(5,736,641)
General fund	$770,856	$588,283	($111,233)	($5,154,975)	$3,012,391	$100,597
FTE	0.00	0.00	(1.00)	(1.00)	0.00	0.00

	Reduces Funding for Bond and Capital Payments[7]	Reduces Funding for Extraordinary Repairs[8]	Adjusts Funding for Equipment[9]	Increases Funding for Grants to Local Public Health[10]	Adds 1 FTE and Increases Funding for Tobacco Prevention[11]	Adjusts the Funding Source for Various Programs[12]
Salaries and wages						
Operating expenses						
Capital assets	(244,084)	(35,820)	831,412			
Grants				1,000,000		
Tobacco prevention					6,453,333	
WIC food payments						
Medical marijuana						
Total all funds	($244,084)	($35,820)	$831,412	$1,000,000	$6,453,333	$0
Less estimated income	(243,680)	(18,093)	841,412	2,000,000	6,453,333	2,224,862
General fund	($404)	($17,727)	($10,000)	($1,000,000)	$0	($2,224,862)
FTE	0.00	0.00	0.00	0.00	1.00	0.00

	Reduces Funding for Colorectal Screenings[13]	Adjusts the Funding Source for Litigation Fees[14]	Reduces Funding for Emergency Medical Services Grants[15]	Adds Funding and FTE for a Medical Marijuana Division[16]	Adds One-Time Funding for the Medical Marijuana Division[17]	Adds One-Time Funding for a Women, Infants, and Children Program Project[18]
Salaries and wages						$110,000
Operating expenses	(100,000)					1,594,220
Capital assets						

Grants			(561,820)			35,000
Tobacco prevention						
WIC food payments						
Medical marijuana				4,989,819	1,197,903	
Total all funds	($100,000)	$0	($561,820)	$4,989,819	$1,197,903	$1,739,220
Less estimated income	(100,000)	500,000	0	3,327,605	1,197,903	1,739,220
General fund	$0	($500,000)	($561,820)	$1,662,214	$0	$0
FTE	0.00	0.00	0.00	13.00	0.00	0.00

	Total Senate Changes
Salaries and wages	$1,610,189
Operating expenses	(2,203,877)
Capital assets	551,508
Grants	(961,090)
Tobacco prevention	5,237,564
WIC food payments	
Medical marijuana	6,236,376
Total all funds	$10,470,670
Less estimated income	13,917,350
General fund	($3,446,680)
FTE	12.00

[1] Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in employee health insurance premiums from $1,130 to $1,249 per month.

[3] One Environmental Health Division FTE position and related funding for salaries and wages is removed.

[4] Base budget reductions included in the agency's budget request are made including the removal of 1 FTE position in the Water Quality Division.

[5] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

[6] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

[7] Funding for bond and capital payments is reduced to provide a total of $636,877, of which $455,931 is from the general fund.

[8] Funding for extraordinary repairs is reduced to provide a total of $300,350, of which $62,516 is from the general fund.

[9] Funding for equipment is adjusted to provide a total of $2,509,513 from other funds.

[10] Funding for grants to local public health units is increased and the funding sources adjusted to provide a total of $5.25 million, of which $3.25 million is from the general fund and $2 million is from the tobacco prevention and control trust fund.

[11] One FTE position is added for tobacco prevention and control and funding is increased by $6,453,333 from the tobacco prevention and control trust fund. Funding provided for tobacco prevention and control totals $12,147,741, of which $3,200,000 is from the community health trust fund, $6,953,333 is from the

tobacco prevention and control trust fund, and $1,994,408 is from federal funds. Tobacco prevention and control funding includes $5.5 million for grants to local public health units for tobacco prevention and control programs.

[12] Funding for the following programs is adjusted to provide $2,224,862 from the tobacco prevention and control trust fund instead of the general fund.

Cancer programs	$744,804
Stroke and cardiac care programs	756,418
Physician loan repayment program	480,000
Behavioral health loan repayment program	243,640
Total	$2,224,862

[13] Funding from the tobacco prevention and control trust fund is reduced for colorectal screenings in the cancer programs.

[14] Funding for litigation fees related to the Environmental Protection Agency lawsuit is provided from the strategic investment and improvements fund instead of the general fund.

[15] Funding for emergency medical services grants is reduced to provide a total of $7,721,000. Emergency medical services rural assistance grants total $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund. Emergency medical services training grants total $846,000 from the general fund.

[16] Funding is added for a Medical Marijuana Division, including 13 FTE positions.

[17] One-time funding is added for costs related to establishing the Medical Marijuana Division.

[18] One-time funding is added for a women, infants, and children program computer project.

This amendment also adds sections to:

- Identify $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.
- Identify $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit.
- Identify $360,000 from the student loan trust fund for the dental loan repayment program.
- Identify $11,078,195 from the tobacco prevention and control trust fund for tobacco and related health programs.
- Repeal North Dakota Century Code Chapter 23-38 related to the community health grant program.
- Amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund be used for tobacco prevention and control.
- Provide an emergency clause for the medical marijuana line item.

Date: 2-17-17
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0512.01003 (Mathern)

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Mathern Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Mathern	✓	
Vice Chair Krebsbach			Senator Grabinger		
Vice Chair Bowman			Senator Robinson		
Senator Erbele					
Senator Wanzek					
Senator Kilzer		✓			
Senator Lee	✓	✓			
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) 1 No 2 Failed

Absent _____

Floor Assignment _____

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

Date: 2-17-17
Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

Senate Appropriations Committee

☑ Subcommittee

Amendment LC# or Description: 17.0512.01004

Recommendation: ☑ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Lee Seconded By Mathern

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Mathern		✓
Vice Chair Krebsbach			Senator Grabinger		
Vice Chair Bowman			Senator Robinson		
Senator Erbele					
Senator Wanzek					
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) 2 No 1

Absent _____

Floor Assignment Passed

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

Date: 2-17-17
Roll Call Vote #: 1

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0512.01004

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Kilzer Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern		✓
Vice Chair Krebsbach	✓		Senator Grabinger		✓
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 12 No 2

Absent 0

Floor Assignment _____

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

Date: 2-17-17

Roll Call Vote #: 2

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 17.0512.01003

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Mathern Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg		✓	Senator Mathern	✓	
Vice Chair Krebsbach		✓	Senator Grabinger	✓	
Vice Chair Bowman		✓	Senator Robinson	✓	
Senator Erbele		✓			
Senator Wanzek		✓			
Senator Kilzer		✓			
Senator Lee		✓			
Senator Dever		✓			
Senator Sorvaag		✓			
Senator Oehlke		✓			
Senator Hogue		✓			

Total (Yes) 3 No 11

Absent 0

Floor Assignment _____

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

failed

Date: 2-17-17
Roll Call Vote #: 3

2017 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2004

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description:

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐

Motion Made By Kilzer Seconded By Lee

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Mathern		✓
Vice Chair Krebsbach	✓		Senator Grabinger		✓
Vice Chair Bowman	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Wanzek	✓				
Senator Kilzer	✓				
Senator Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 12 No 2

Absent 0

Floor Assignment Kilzer

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

REPORT OF STANDING COMMITTEE

SB 2004: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2004 was placed on the Sixth order on the calendar.

Page 1, line 2, after "health" insert "; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency"

Page 1, replace lines 12 through 22 with:

"Salaries and wages	$62,805,918	$1,610,189	$64,416,107
Operating expenses	40,598,335	(2,203,877)	38,394,458
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	(961,090)	56,135,670
Tobacco prevention	6,910,177	5,237,564	12,147,741
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	6,236,376	6,236,376
Total all funds	$190,506,422	$10,470,670	$200,977,092
Less estimated income	141,970,854	13,917,350	155,888,204
Total general fund	$48,535,568	($3,446,680)	$45,088,888
Full-time equivalent positions	365.00	12.00	377.00"

Page 2, line 1, after "**BUDGET**" insert "**- REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 3, after "biennium" insert "and the 2017-19 one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 10 with:

"Environmental equipment	$780,000	$0
Forensic examiner digital x-ray equipment	44,000	0
Women, infants, and children system upgrade	1,712,110	1,739,220
Medical marijuana	0	1,197,903
Total all funds	$2,536,110	$2,937,123
Less estimated income	2,200,110	2,937,123
Total general fund	$336,000	$0

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The state department of health shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, after line 16, insert:

"**SECTION 4. INSURANCE TAX DISTRIBUTION FUND.** The estimated income line item included in section 1 of this Act includes $1,250,000 from the insurance tax distribution fund for rural emergency medical services grants.

SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The estimated income line item included in section 1 of this Act includes $500,000 from the strategic investment and improvements fund for legal fees related to an environmental protection agency lawsuit.

SECTION 6. STUDENT LOAN TRUST FUND. The estimated income line item in section 1 of this Act includes $360,000 from the student loan trust fund for dental loan repayment program grants.

SECTION 7. TOBACCO PREVENTION AND CONTROL TRUST FUND. The estimated income line item in section 1 of this Act includes $11,078,195 from the tobacco prevention and control trust fund for tobacco prevention and related health programs.

SECTION 8. AMENDMENT. Subsection 1 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:

   a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund ~~of which a minimum of eighty percent must be used for tobacco prevention and control~~.

   b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.

   c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

SECTION 9. REPEAL. Chapter 23-38 of the North Dakota Century Code is repealed.

SECTION 10. EMERGENCY. The funding included in the medical marijuana line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$62,805,918	$1,610,189	$64,416,107
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Medical marijuana		6,236,376	6,236,376
	$190,506,422	$10,470,670	$200,977,092

Total all funds			
Less estimated income	141,970,854	13,917,350	155,888,204
General fund	$48,535,568	($3,446,680)	$45,088,888
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Department No. 301 - State Department of Health - Detail of Senate Changes

	Adds Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Removes 1 FTE Environmental Health Position[3]	Base Budget Reductions[4]	Restores Base Budget Funding[5]	Cost-to-Continue Existing Programs[6]
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Capital assets						
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WIC food payments						
Medical marijuana		48,654				
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Less estimated income	404,755	549,367	(27,808)	805,115	0	(5,736,641)
General fund	$770,856	$588,283	($111,233)	($5,154,975)	$3,012,391	$100,597
FTE	0.00	0.00	(1.00)	(1.00)	0.00	0.00

	Reduces Funding for Bond and Capital Payments[7]	Reduces Funding for Extraordinary Repairs[8]	Adjusts Funding for Equipment[9]	Increases Funding for Grants to Local Public Health[10]	Adds 1 FTE and Increases Funding for Tobacco Prevention[11]	Adjusts the Funding Source for Various Programs[12]
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Total all funds	($244,084)	($35,820)	$831,412	$1,000,000	$6,453,333	$0
Less estimated income	(243,680)	(18,093)	841,412	2,000,000	6,453,333	2,224,862
General fund	($404)	($17,727)	($10,000)	($1,000,000)	$0	($2,224,862)
FTE	0.00	0.00	0.00	0.00	1.00	0.00

	Reduces Funding for Colorectal Screenings[13]	Adjusts the Funding Source for Litigation Fees[14]	Reduces Funding for Emergency Medical Services Grants[15]	Adds Funding and FTE for a Medical Marijuana Division[16]	Adds One-Time Funding for the Medical Marijuana Division[17]	Adds One-Time Funding for a Women, Infants, and Children Program Project[18]
Salaries and wages						$110,000
Operating expenses	(100,000)					1,594,220
Capital assets						
Grants			(561,820)			35,000
Tobacco prevention						
WIC food payments						
Medical marijuana				4,989,819	1,197,903	
Total all funds	($100,000)	$0	($561,820)	$4,989,819	$1,197,903	$1,739,220
Less estimated income	(100,000)	500,000	0	3,327,605	1,197,903	1,739,220
General fund	$0	($500,000)	($561,820)	$1,662,214	$0	$0
FTE	0.00	0.00	0.00	13.00	0.00	0.00

	Total Senate Changes
Salaries and wages	$1,610,189
Operating expenses	(2,203,877)
Capital assets	551,508
Grants	(961,090)
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WIC food payments	
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General fund	($3,446,680)
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[2] Funding is added for increases in employee health insurance premiums from $1,130 to $1,249 per month.

[3] One Environmental Health Division FTE position and related funding for salaries and wages is removed.

[4] Base budget reductions included in the agency's budget request are made including the removal of 1 FTE position in the Water Quality Division.

[5] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

[6] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

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[8] Funding for extraordinary repairs is reduced to provide a total of $300,350, of which $62,516 is from the general fund.

[9] Funding for equipment is adjusted to provide a total of $2,509,513 from other funds.

[10] Funding for grants to local public health units is increased and the funding sources adjusted to provide a total of $5.25 million, of which $3.25 million is from the general fund and $2 million is from the tobacco prevention and control trust fund.

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Total	$2,224,862

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[14] Funding for litigation fees related to the Environmental Protection Agency lawsuit is provided from the strategic investment and improvements fund instead of the general fund.

[15] Funding for emergency medical services grants is reduced to provide a total of $7,721,000. Emergency medical services rural assistance grants total $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund. Emergency medical services training grants total $846,000 from the general fund.

[16] Funding is added for a Medical Marijuana Division, including 13 FTE positions.

[17] One-time funding is added for costs related to establishing the Medical Marijuana Division.

[18] One-time funding is added for a women, infants, and children program computer project.

This amendment also adds sections to:

- Identify $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.
- Identify $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit.
- Identify $360,000 from the student loan trust fund for the dental loan repayment program.
- Identify $11,078,195 from the tobacco prevention and control trust fund for tobacco and related health programs.
- Repeal North Dakota Century Code Chapter 23-38 related to the community health grant program.
- Amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund be used for tobacco prevention and control.
- Provide an emergency clause for the medical marijuana line item.

2017 HOUSE APPROPRIATIONS

SB 2004

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/6/2017
Job 28705

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachment 1

Chairman Pollert called the committee to order.

Arvy Smith, Deputy State Health Officer of the ND Department of Health read written testimony (attachment 1).

Rep. Nelson: I noticed that the new medical marijuana division is in the Health Resources. Was there a discussion as to why that wasn't included in the Community Health section?

Ms. Smith: We did note one state had it in their chronic disease area, but it was a very limited medical marijuana program that covered one disease and had one form of use. With the amount of regulation that will be needed with the entities that will be manufacturing and selling medical marijuana and all of the individuals that have to be registered, it seemed to have characteristics more of the Health Resources section which does the food and lodging registration and regulation and then the nursing home and hospital regulation.

Rep. Nelson: How many FTE are being allotted to that program, coming from the Senate?

Ms. Smith: Coming out of the Senate we have 13 FTE.
Continued to read written testimony.

Vice Chairman Kreidt: In regards to the number of deaths from Alzheimer's, are you able to diagnose that Alzheimer's actually was the cause of death?

Ms. Smith: Yes, that is an actual diagnosis that can be made. I don't know exactly how that is mad but I know that they are able to identify specifically when an individual does die of Alzheimer's.

Vice Chairman Kreidt: There was a point in time where they weren't able to make a specific diagnosis if someone had Alzheimer's or not. I'm wondering if medical science has got to the point where they can say that an individual definitely had Alzheimer's and died from it.

Darleen Bartz: Through autopsy, they do test the brain but also when they're in the process of the diagnosis of Alzheimer's disease, they do a series of mental examinations to determine memory and ability. I think a lot through the symptom approach and identifying what types of symptoms the individual has, then they come out with that diagnosis of dementia.

Ms. Smith continued to read written testimony (0:17:28).

Rep. Nelson: In the vaccine area, that $1.7 million that was billed to third-party providers, did that create some cash flow problems for the local public health units? Is that a well-founded issue or did it have little effect?

Ms. Smith: I don't have a way to know what the cash balance is at the local public health units. It could be, in certain areas. We did give them a six-month notice. I know that some report some issues but for the most part, every child is either going to receive the federal vaccine for the Vaccines for Children program or else they'll get insurance provided.

Rep. Nelson: For the federal vaccine, what is the turnaround time between vaccination and payment for that from the federal sources. Is it similar to third-party payers?

Ms. Smith: There are two components to the vaccine process; one is the vaccine and the other is the administrative fee. In the federal program, they're not providing us funding to buy vaccine; they are providing us the actual vaccine. In the federal system it would be a matter of them billing the Medicaid program for the administration fees. I don't know what the turnaround is on that.

Rep. Nelson: So that goes through the MMIS system with DHS?

Ms. Smith: Yes. With the insured vaccine, there will be a delay. Locals will buy vaccine and it can be a burden on the smaller ones because they have to buy vials of ten doses and they may not use those. I think they'll have some cash wrapped up in vaccine inventory.

Rep. Nelson: In that regard, if that goes out of compliance with dates, do the locals have to eat that expense if that vaccine is no longer usable due to an expiration date?

Ms. Smith: I think there are some cases where they have to absorb that. Kirby is saying once a vial is opened, they can't return it but closed vials they could return.

Chairman Pollert: On attachment A on the base level budget, during the allotment you didn't reduce any FTE, correct?

Ms. Smith: That is correct.
Continued to read written testimony.

Vice Chairman Kreidt: Regarding the new colorectal cancer screening process, are the detection rates similar to colonoscopies? Do you have information to show if that is effective?

Ms. Smith: Yes, there have been studies on it and that's why we were able to move to this system. They are able to rule out where a full colonoscopy is necessary. By doing that screening, they are able to see cases where they do not have to go through the colonoscopy.

Vice Chairman Kreidt: What is the cost savings for this procedure versus a colonoscopy?

Ms. Smith: Like less than $100 and a full colonoscopy is $3,400. Substantial savings.

Rep. Nelson: The other piece to that is Medicaid expansion with some of the population that was uninsured or underinsured. There are a number of people who now qualify for Medicaid expansion. Do these numbers reflect the 20,000 plus people enrolled in Medicaid expansion and how many may have utilized that insurance rather than the program?

Ms. Smith: I believe we have room in the budget that is before you to address that.
Continued to read written testimony.

Chairman Pollert: Regarding the medical marijuana program, was there any attempt to try to cover it all through fees?

Ms. Smith: In the first biennium, we are not going to see very much revenue come in so we need general funds for start-up costs and to get it rolling. In SB2344 is a requirement that by the 2019-21 biennium it will be self-funded. There will be enough revenue generated to cover all of the costs.
Continued to read written testimony (0:48:55).

Chairman Pollert: Are there also FTE in the Attorney General's budget for medical marijuana?

Ms. Smith: When they need to be doing background checks on the growers and employees of the growers, producers, and sellers, and the designated caregivers we were looking at, for a full biennium, two FTE. I don't know if that has been added to the budget yet.
Continued to read written testimony (0:55:20).

Chairman Pollert: If you had a 10% reduction in general funds, how many did that mean total because of federal funds?

Ms. Smith: The reduction was $5.1 million of general funding. We do not lose federal funding as a result of general fund cuts.
Continued to read written testimony (0:56:30).

Rep. Nelson: Regarding the WIC program, you mentioned an MIS project that wasn't funded in the current biennium. Is that in your budget for 2017-19?

Ms. Smith: Yes it is.

Rep. Nelson: At the same cost?

Ms. Smith: Same number.

Rep. Nelson: Can we implement that in less than 10 years?

Ms. Smith: It has to be done by 2020. We are working with seven states to build a system together through MOUs between us.

Rep. Meier: Is the funding for that program all general funds?

Ms. Smith: It is all USDA federal funding.

Rep. Meier: I was referring to the IT part of that program; is that all federal?

Ms. Smith: Yes.
Continued to read written testimony (1:02:45).

Chairman Pollert: Since those grants didn't get awarded, did you fund them with general funds or didn't they get done?

Ms. Smith: We left the general funding. Colorectal cancer and suicide both have a fair amount of general funding, but we removed the federal funding.

Chairman Pollert: Those you talked about that are general fund, were any of those subject to the allotments?

Ms. Smith: We did take some cuts to colorectal cancer. Because of the new test that's available, we were able to more easily make some cuts in that program. I don't believe we made an adjustment to suicide prevention.
Continued to read written testimony (1:07:41).

Chairman Pollert: Where it says remove medical marijuana FTE and operating cost, was that because of the directions of Governor Burgum?

Ms. Smith: I couple things changed. When we originally put the fiscal note and budget together for medical marijuana, we thought we would have to create our own MIS system, so we put $1 million in for that. As we have learned from other states that have programs similar to ours, they have systems up and running that will do everything we need and at a much lower cost so we were able to take a substantial decrease in that area. The part, reducing four FTE, has to do with SB2344 which limits the number of growers and sellers in the state. The original measure passed by the people had unlimited growers and sellers, both industry and individuals, and that required a substantially higher amount of regulation on our part. If the changes are sustained in 2344 with regard to that part, we are able to operate at this lower level.

Rep. Nelson: That requires a two-thirds vote, doesn't it?

Ms. Smith: Yes.

Chairman Pollert: Did it get two-thirds vote on the Senate side?

Ms. Smith: Yes it did. If we don't get a two-thirds vote, that whole bill goes away and we are back to what the people voted on.
Continued to read written testimony (1:15:00).

Rep. Holman: Were there any versions of 2344 that did not require a two-thirds vote or does everything require a two-thirds vote?

Ms. Smith: Yes, I'd say everything in 2344 would require a two-thirds vote because all of it changed what was in the measure voted by the people.

Rep. Kading: If 2344 fails to get the two-thirds vote, it reverts back to what was in the measure. Will the department still be able to implement the measure as is? What happens?

Ms. Smith: If SB2344 fails and we go back to the original measure, our budget is going to have to go back up to at least the Governor Dalrymple level of $7 million with $2 million from general funds.

Rep. Kading: But you'll still be able to implement it?

Ms. Smith: There are some things in the original measure that are so inadequate that it will be very difficult to implement. Number one being that there is never any language in there that decriminalizes the use of marijuana for medical purposes. So how can we, in good faith, go about registering and collecting money from patients and caregivers, starting up all these businesses, knowing that they can be arrested in-state, not to mention that it's still a federal crime. There are many other things that are unclear; things with revenue. It will be a mess. I don't know how we will implement. I'm very concerned.

Rep. Holman: Isn't there a bill to decriminalize it?

Ms. Smith: That's included in 2344, as well as limiting the number of growers. There will only be four growers in the state and then eight dispensaries.
Continued to read written testimony.

Chairman Pollert recessed the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/6/2017
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☐ Subcommittee
☐ Conference Committee

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Minutes: Attachments 1-7

Chairman Pollert called the committee to order.

Mylynn Tufte, State Health Officer provided introduction and brief background information.

Sheila Sandness, Legislative Council reviewed changes to the budget made by the Senate (attachment 1).

Rep. Nelson: On the $1 million grant source shift, regarding identifying funding from the tobacco control trust fund that does not go towards tobacco prevention and cessation, that $1 million is for existing programs not relating to tobacco, correct?

Sheila Sandness, Legislative Council: That is correct. That was a funding source change for existing grants.
Continued to review changes.

Dave Glatt, Section Chief for the Environmental Health Section of the ND Department of Health read written testimony (attachment 2).

Rep. Nelson: As you know, there was a radioactive potential situation in the last year. I'm curious about the TENORM changes that were made last session. Are there any disposal sites that have been permitted in the state since those regulations changed?

Mr. Glatt: No, we do have some applications that we are reviewing. We changed the standard from 5 picocuries per gram up to 50 based on the Argonne National Laboratory study. Once that was established and the science said we could handle 50 at a safe level in specific landfills, then if they get an approved amendment to their existing permit can they accept it. Nobody has gotten an approved permit amendment at this point.

Vice Chairman Kreidt: Under other impacts and the expansion of the Tesoro Refinery, is that referring to the last expansion or a new expansion?

Mr. Glatt: That was from the past expansion. We're looking at a permit for Meridian in the western part of the state; as another refinery we're looking at.

Vice Chairman Kreidt: They were looking at a refinery on the reservation. Has anything ever developed from that or is it on hold?

Mr. Glatt: That is permitted by the Environmental Protection Agency. I do not know the status of that.

Vice Chairman Kreidt: So you wouldn't be involved at all in that?

Mr. Glatt: That's correct.
Continued to read written testimony.

Chairman Pollert: When you have an enforcement action and have attorneys involved are you working with the Attorney General's office since you said you only had one attorney?

Mr. Glatt: We have an attorney appointed to us from the Attorney General's office. She does the vast majority of our legal action. For the bigger enforcement actions or litigation that we do against the EPA we have hired an outside counsel.

Rep. Kading: Has the clean power plant been promulgated or still in input from the public?

Mr. Glatt: It went through all of that and then was challenged by the states. It went to the U.S. Supreme Court and they stayed the rule because of the wide-ranging impacts. We're now in the D.C. circuit; finished our arguments, waiting for their final determination. Once that is made, it will get appealed and that will go through the U.S. Supreme Court.

Rep. Kading: The only way to overturn that is through either Congressional action or if they went through the agency process again. Is that correct?

Mr. Glatt: That is my understanding.

Rep. Nelson: Talk a little about SB2327. Most of the people opposing that are absent from the discussion here today. From a budgetary standpoint, if that passes, how does that affect the Department of Health's budget?

Chairman Pollert: Tell us what SB2327 is first.

Mr. Glatt: SB2327 would establish a new department of environmental quality. It would break out the environmental health section. When you have 40% of the department and staff moving out, there is going to be fiscal challenges to both the Health Department and the new DEQ. We're committed to everything staying the same. Budget-wise we're committed to making that work so there is zero fiscal impact to the state but there are going to be some challenges. Any budget changes that occur will add another variable to it.

Rep. Nelson: Was there a fiscal note added to the bill?

Mr. Glatt: There was a fiscal note and it said that internally we will have some fiscal challenges but externally they will have a zero fiscal impact on the state.

Rep. Holman: You are already separated with some of the things you do versus what they Health Department does. Where are there still going to be duplications?

Mr. Glatt: When you look at the Health Department as a whole, they are involved in so many different things. Operationally even though we're part of the Health Department, we've almost operated separately as it relays to the technical stuff so there is not any duplication there. Where we do find the benefit is when you get into the accounting services and the human resources services, we share that. That's where the challenge will be. Do we continue to share those services? Do we break them apart?

Vice Chairman Kreidt: With the Dakota Access Pipeline, what are your responsibilities? Are they tunneling under Oahe now? They say oil will be flowing by the end of March through that pipeline. Do you do any inspection?

Mr. Glatt: We initially provided technical comment as it related to the construction of the pipeline, location, depth from the bottom of the lake to make sure we were comfortable with it. We made some comments as it related to emergency response and monitoring, and they complied with all that. Where we've been involved is we've had some comments from citizens so we've had staff inspect things. We've also had staff out at the clean-up of the camps to make sure that was done appropriately. We've had staff checking the air quality.

Rep. Nelson: On that note, because the camps are on federal property, does the Army Corps of Engineers give you the authority for clean-up inspection? How does that work?

Mr. Glatt: We sent them a letter that said this is your land, you better take care of it. As simple as that. They had a big mess there; they needed to clean it up. They have asked us for some guidance on how to handle certain wastes; that's been our involvement. They own the land; they have responsibility to make sure it isn't a continuing environmental problem so they have the responsibility to clean it up.

Rep. Nelson: With the case of the clean-up and the nearly 100% chance of flooding in the near future, are you confident that clean-up has been done responsibly and thoroughly to ensure that there isn't contamination in the river system going south?

Mr. Glatt: I am, as much as they can do. You don't have 8,000-10,000 people on a plot of land for that period of time and say everything will be back to pristine in a short period of

time. I think they've addressed everything they can address in this short of a period of time. I think they've cleaned up the waste that they can clean up. But to say that there's zero impact going forward, I think that would be difficult to say. But the risk has been significantly minimized from their actions.

Chairman Pollert: If SB2327 is revenue-neutral, will it even go to Appropriations?

Sheila Sandness, Legislative Council: If there is no fiscal impact, I don't believe it will come to Appropriations.

Rep. Holman: When I looked up the fiscal note, it looked like there will be a fiscal impact next biennium.

Chairman Pollert: Do we, as appropriators, hear it because of the second biennium?

Arvy Smith, Deputy State Health Officer of the ND Department of Health: In the current biennium, showing no fiscal impact because the effective date isn't until July 1, 2019. That is the latest date; we can go earlier. In 2019-21, depending on how things go, we expect the need for some additional administrative positions, but they'll be covered through reorganization and repurposing within the department which nets out to zero.

Mr. Glatt: One of the things that did come up is the desire for the department to take on more responsibility. I think there is a realization that if they ask the new DEQ to take on significantly more environmental responsibilities, there would be a fiscal impact.

Rep. Nelson: Would we be in a stronger position to accept the federal responsibility that occurs today in the state by being a separate agency?

Mr. Glatt: Potentially. With the vast amount of activities being addressed by the Health Department, when priorities are being set, environmental priorities may not always rise to the top. Your priorities would be set within the organizational structure of the Health Department versus having your priorities set as a separate agency.

Rep. Nelson: With states that have a separate environmental quality department, are they more likely to be able to implement the EPA standards or regulations?

Mr. Glatt: Nationwide there are five states that have a structure like we have; the rest have a separate DEQ. Whether or not you're able to take on additional work has a lot to do with budgets. We have turned back certain EPA programs because we felt they were bureaucratic and less environmental protection. That's created some problems for industry and left the door open for EPA to come in and do some work. I don't know if the DEQ set aside would open the flood gates to take on new federal programs. A lot of that goes back to budgets and what you are able to afford with the resources you have.

Robin Iszler, Unit Administrator at Central Valley Health District read written testimony (attachment 3).

Chairman Pollert: Looking at your sheet, where it says $250,000 for tobacco, is that total tobacco because you might get some from the state and some from the tobacco agency?

Ms. Iszler: The tobacco funding that you see is the money from the center. There is no funding that comes from the state for tobacco prevention services. That can be split up into the policy grant portion and the state aid grant portion. Ours is a little larger there because we partner with Lamoure and McIntosh Counties for our tobacco prevention efforts.

Rep. Nelson: Tell me what SART is.

Ms. Iszler: That is the sexual assault response team. We receive some federal and state dollars that pass through the Health Department from the STOP grant.

Chairman Pollert: So that is a federal and state mix?

Ms. Iszler: Yes it is.

Chairman Pollert: What is Cross-Jurisdictional Environmental Health?

Ms. Iszler: It is another grant that is coming through the state Health Department. This was a grant to look at how we can work together with environmental health services through multi-county collaborations.

Chairman Pollert: What does prevention refer to?

Ms. Iszler: It's chronic disease prevention.

Rep. Nelson: As far as the Cross-Jurisdictional Environmental Health, how many counties are a part of this agreement? How many inspectors are approving these systems?

Ms. Iszler: The funding from the cross-jurisdictional grant is looking at how we can do things better. There are several agencies and several counties involved. In central valley, we have 8 counties in our area. We provide the environmental health services to all those counties and we have two environmental health practitioners.

Lisa Clute, Executive Officer of First District Health Unit reviewed information regarding immunizations (attachment 4).

Chairman Pollert: Did the immunization change for the whole year of 2016?

Ms. Clute: No, it changed mid-year.

Chairman Pollert: So you're saying you would've lost $800,000?

Ms. Clute: No. We have always lost money in immunizations. Last year previous to this was $340,000. We know it is trending currently as an increase.

Chairman Pollert: With the $340,000, with the change in the immunizations, it would cost you an extra $120,000?

Ms. Clute: $75,000 for that year. But we had to purchase inventory and we're maintaining an inventory too. I know that based on the financial sheets we didn't reduce our subsidies to immunizations.

Rep. Nelson: The concerns that I have in this reduction is the time lapse as far as the third-party payers. Did you see, depending on the payer mix, a delay in payments? What is the administration rate in public health and has that changed?

Ms. Clute: No, the administrative rate hasn't changed; it's just the cost that we can bill.

Rep. Nelson: What is the administrative rate?

Ms. Clute: It varies. They give an amount that you can bill BCBS for a vaccine. We take the cost of the vaccine, so if the vaccine is $20 and the reimbursement rate is at $40, then we would charge $20 for the vaccine and $20 for administrative fees. In regards to third-party payers, it's pretty slow. We are currently moving over to an electronic medical records system. That increases the third-party payer. However, most people don't have that and aren't utilizing that. It can be very slow; I think 3-6 months.

Rep. Nelson: With Medicaid, if you're not on an EHR, I'm guessing it's very slow with the MMIS system too.

Ms. Clute: Yes, that's true. At some point, you stop trying to collect and you write off. At some point it costs more to chase the money than it is to write off.

Rep. Nelson: With the outdated vaccines is that a significant issue? It was explained that if you don't open them, you can return them and recover some cost.

Ms. Clute: That can vary. It can be a very significant issue because of the way we have to manage these vaccines. It is a very cumbersome program to manage.

Bill Kalonick, ND EMS Association read testimony from Adam Parker (attachment 5).

Chairman Pollert: Was there any reduction in the EMS grants?

Sheila Sandness, Legislative Council: $625,000

Deana Wiese provided written testimony (attachment 6).

June Herman, Regional Vice President of Advocacy for the American Heart Association provided written testimony (attachment 7).

Chairman Pollert adjourned the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
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☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

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Minutes: Attachment 1-4

Chairman Pollert called the committee to order.

Arvy Smith, Deputy Health Director for the Department of Health reviewed written testimony (attachment 1).

Sheila Sandness, Legislative Council reviewed community health trust fund (attachment 2) and the tobacco prevention and control trust fund (attachment 3).

Ms. Smith continued to review written testimony.

Chairman Pollert: Who will be in charge of the division for the tobacco group?

Ms. Smith: This falls in the division of chronic disease which is Krista Fremming. Then Neil Charvat runs the tobacco program within chronic disease.

Chairman Pollert: We're on the tobacco schedule, so the 4.85 FTE will be working on nothing but tobacco?

Ms. Smith: Yes.

Rep. Nelson: With the 4.75, is that their duties today?

Ms. Smith: We have the 4.75 today. We added an additional .1 which is a contract officer that helps in this area.

Rep. Nelson: With the added responsibilities of the grants to local public health and everything that the center is doing today, you need an extra .1?

Ms. Smith: What you have in front of you is the Governor Burgum budget. This does not have the Senate adjustments in it.

Rep. Nelson: So there's one additional?

Ms. Smith: There is one additional FTE so we will be at 5.85.

Rep. Nelson: To pick up the additional duties, you're doing it with 1.1 additional staff to do what the center is doing today. Are we doing the same type of work?

Ms. Smith: We added the .1 before we had any idea that we were going to have tobacco center duties, so the real addition related to the tobacco center is the one FTE. We do have schedules as to what is going to happen compared with currently what is happening.
Continued to review testimony (attachment 1).

Rep. Nelson: Does this get you to the 90% budget request the Governor asked for?

Ms. Smith: Yes, but there are no general funds in this program.
Continued to review testimony.

Rep. Nelson: On the professional services page, in the special fund column, is that the $3.2 million that you referred to?

Ms. Smith: Yes.

Rep. Nelson: You also get a $500,000 grant from the center. Is that special funding?

Ms. Smith: Yes.

Rep. Nelson: So the $3.129 million doesn't reflect the $3.7 million in there?

Ms. Smith: Right so this is only the amount that's in the professional services line of the entire special funds of $3.7 million. The Odney media campaign for $500,000 is the money that came from the Center. The remainder is from the Community Health Trust plus what is also in grants and the rest of operating.

Chairman Pollert: The federal funding of $429,000, is that part of the $2 million that we give in federal grants each biennium?

Ms. Smith: Yes

Rep. Nelson: Where does the rest of that money show up?

Ms. Smith: On the detail sheet, there is federal money covering the salaries. We have some federal money in operating and in grants so it is spread throughout the budget.

Rep. Nelson: You're showing $788,000 in federal funds in the salary line item?

Ms. Smith: Yes.

Rep. Nelson: And in operating expenses, you're showing $658,000 and $540,000 in grants?

Ms. Smith: Yes.

Rep. Nelson: These three numbers should add up to $2 million.

Ms. Smith: Yes.

Rep. Kading: Was the Odney media campaign bid out? How did you get that contract?

Ms. Smith: Yes, we have to bid those types of contracts out.

Chairman Pollert: What is the vendor National Jewish Health?

Ms. Smith: That is the main contractor for NDQuits.

Rep. Meier: Do they serve other states?

Ms. Smith: Yes.
Continued to review written testimony.

Rep. Meier: How often do these vendors come up for a rebid?

Ms. Smith: That would vary; approximately three years.

Chairman Pollert: Is this part of the $500,000 that the Senate put in?

Brenda Weisz, Director of Accounting for the Department of Health: The $500,000 was the grant that we received last biennium from the center. As we built the budget this summer, we anticipated receiving the $500,000 from the center again. During the budget process, when we received the Dalrymple budget, that funding source was switched at that point to come from the tobacco prevention and control fund.

Chairman Pollert: What is it used for, just advertising?

Ms. Smith: It's for Odney for advertising for tobacco prevention.

Chairman Pollert: Is that for TV or is it radio also?

Krista Fremming, Director of the Chronic Disease Division for the Department of Health: It was used mainly for TV ads, we also run some radio ads and digital ads.

Rep. Meier: For cessation for your state employees, you're going to continue the $80,000, but then that cessation services from Dr. Johnson is zeroed out, correct?

Ms. Smith: Yes, that was a contract we had with him to advise on the Quit Line and we're not doing that any more.

Rep. Meier: The cessation program for the state employees that will continue with $80,000 but there'll be nothing going forward with the Quit Line? The Quit Line will continue?

Ms. Smith: Yes, the Quit Line is for all citizens of North Dakota. It is the two lines at the top, the contracts with National Jewish and UND. That's the $1.3 million and $671,000. Whereas the $80,000 in PERS is nicotine replacement therapy and counseling for PERS members. Continued to review written testimony (page 4 of attachment 1).

Chairman Pollert: Regarding the Medicaid Quit Line match, are those dollars used for the same purposes as professional services NDQuits?

Ms. Smith: Yes for NDQuits for Medicaid Clients.

Rep. Nelson: Regarding the CDC tobacco grant, can you expound on that?

Ms. Fremming: We were not eligible to apply for the competitive portion of the CDC federal tobacco grant because of our adult smoking rate. At the time, you had to be lower than 19% and at that time our smoking rates were above that 19% threshold.

Rep. Nelson: What were you doing with that CDC tobacco grant that you won't be able to do going forward?

Ms. Fremming: The decreases really affect all areas of the budget. The decreases in the advertising contract; we also had a few other decreases in our communications contract.

Rep. Nelson: Do you have to rebid them every biennium, the communications and the advertising? How long does that bid last that you have with vendors? Is it on-going?

Ms. Fremming: Every three years we have to rebid.

Chairman Pollert: Out of the community health trust fund, you got the $3.2 million. Then out of the tobacco prevention and control trust fund, that $500,000. Is that related?

Ms. Smith: The $3.2 million is the community health trust fund. The $500,000 is the tobacco prevention and control fund.

Rep. Nelson: With the exception of the top two that come out of the community health trust fund, are the rest of those items general funded?

Ms. Smith: There are no general funds in this.

Rep. Nelson: Where does domestic violence fund come from?

Ms. Smith: We'll talk that when we do the community health section.

Rep. Nelson: That's still community health trust funding?

Ms. Smith: Yes, there were some funding source changes.

Chairman Pollert: In some previous biennium, that was coming out of there and now those dollars are coming out of the reserve funds.

Ms. Smith: Domestic violence has several different funding sources.

Rep. Nelson: It doesn't match the revenue that is in the community health trust fund so it has to be in other places.

Ms. Smith: There some other places that community health trust fund money goes.

Chairman Pollert: Are you talking about the cancer program, stroke and cardiac, physician loan repayment, behavioral health repayment?

Rep. Nelson: Right.

Chairman Pollert: Those are coming out in the amended version of SB2024 which went over to SB2004. You're using those dollars; we're not using general fund dollars so we are supplanting.

Rep. Nelson: We are. We're not using community health trust fund funding for that.

Ms. Smith: If you look at the community health trust fund schedule (attachment 2), there is $329,500 for Women's Way and behavioral risk factor survey for $470,500.

Chairman Pollert: On the grant line item page, you talk about of the 10% of the tobacco settlement, 80% goes to the tobacco-related programs, 20% goes to other items, and that amount was?

Ms. Smith: On the community health trust fund schedule, you see $3.2 million going to tobacco. That is 80% of $4 million, the revenue coming in. That leaves the 20% that is used for Women's Way and Behavior Risk Factor Survey.

Rep. Nelson: The 80% rule is no longer in the Senate version, is it?

Ms. Smith: They took it out.

Chairman Pollert: So are these dollars still in there?

Ms. Smith: It didn't change the budget.

Chairman Pollert: Did it change the funding source for Women's Way and Behavior Risk Factor Survey?

Ms. Smith: They didn't change that.

Chairman Pollert: It's still the 20% of the $4 million?

Ms. Smith: They did not make changes to this. They just removed the 80% rule.

Rep. Nelson: If we chose to, we could remove all the tobacco funding from the Community Health Trust Fund?

Ms. Smith: It would have to be for public health programs.

Rep. Kading: Will the last of the funds from the settlement be coming in 2023?

Ms. Smith: If you hear of some revenue ending, that is the amount you see in the tobacco prevention and control fund, these two $11 million payments. We'll get the last $11 million payment this April 2017 and then no more revenue comes into this fund other than the interest earnings on the balance.

Rep. Kading: Beyond the bump payments is there anything?

Ms. Smith: The other revenue will continue as long as people are smoking and that's the 45% that goes to education and 45% to water and then 10% goes to into Community Health Trust Fund. We get approximately $4 million revenue into there each biennium.

Chairman Pollert: Where does the $3.2 million go?

Ms. Smith: On the front page, the total of special funds is $3.7 million, $3.2 million is coming from this and the other $500,000 is the money we were getting from the Center.

Chairman Pollert: So the $3.19 million is professional services?

Ms. Smith: That's just the amount in professional services. Of the dollars in professional services, $500,000 of that is from the Center and the remainder is from the Community Health Trust Fund.

Chairman Pollert: Is the Behavior Risk Factor Survey new, or have we always done that?

Ms. Smith: The only thing new about it is being funded out of the Community Health Trust Fund. We have done that survey for many years.

Chairman Pollert: It's not just tobacco related?

Ms. Smith: No, it's all kinds of public health things.

Rep. Nelson: What are the demographics of that survey; youth or adults?

Ms. Smith: The Behavioral Risk Factor Survey is only adults. Then we do other surveys on tobacco for youth.

Rep. Nelson: Statewide?

Ms. Smith: Statewide. The Behavioral Risk Factor Survey is adults. We can request to do a heavier sample of a certain demographic if we want to and we do that occasionally.

Rep. Nelson: Do you publish that and distribute it?

Ms. Smith: I believe it's on our website and you can access it.

Rep. Nelson: What division will the new medical marijuana section be housed in?

Ms. Smith: That will be in our Health Resources section which is run by Darlene Barth. Within there we have the nursing home site visits, food and lodging, and then medical marijuana has some of the same types of things.
Continued to review written testimony (page 5).

Rep. Nelson: What is local public health getting today? The $1 million for administrative support isn't related to tobacco. Isn't that for their overall programs?

Ms. Smith: Since they were using that $1 million to tell CDC how much our spending level was, that was in the calculation for our spending on tobacco programs. There was some tobacco related activities linked to that $1 million so that it qualified as tobacco spending.

Rep. Nelson: That's $3 million. They're getting more in grants today, aren't they?

Ms. Smith: Currently I believe they're getting $8 million.

Rep. Nelson: In the Senate version, how much are they getting?

Ms. Smith: They're getting $5.5 million. The $1 million that seems to disappear there, since there were few tobacco requirements on that and it looked more like state aid, we moved that up to admin support area where the other local public health state aid is budgeted for. The Senate did, but we did recommend it and the local public health units wanted it as well.

Rep. Nelson: Is that in addition to the grants they are getting in that today?

Ms. Smith: Yes. Four million and some.

Chairman Pollert: The executive budget is $3 million. What would it have been last biennium?

Ms. Smith: Are you looking for the amount of tobacco to local public health last biennium? Or in the current biennium?

Chairman Pollert: What was the total amount of dollars that went to local public health units?

Ms. Smith: For state aid or for tobacco and other things?

Rep. Pollert: When we have your total budget for 2017-19, there's going to be more dollars here than just what's here? Or is this it?

Ms. Smith: Many of our different programs give local public health funding.

Chairman Pollert: We're only talking about tobacco dollars here?

Ms. Smith: Yes.

Rep. Nelson: The $4 million that's in admin support now, with this change, is now $5 million?

Ms. Smith: We're at $4.25 million currently. We did not make a reduction to that for the 90% budget, we left it even and then the $1 million goes on top of that so it is $5.25 million.

Rep. Nelson: In essence, between the tobacco grants that they get today and if you add that and the admin support, they're short $1.5 million?

Ms. Smith: Yes. The $5.5 million under grants to communities, then they got an additional $1 million in state aid, and they currently were at $8 million so they're short $1.5 million.

Chairman Pollert: Where is the $8 million?

Ms. Smith: It's in the Center's budget.

Chairman Pollert: It was $2 million in the executive budget and then the $5.5 million. So that $3.5 million comes from where?

Ms. Smith: That is coming from the tobacco prevention and control fund.
Continued to review written testimony.

Chairman Pollert: When we look at what the tobacco group was doing versus what this is doing, I want to know that difference.

Ms. Smith: Currently there is $24 million for tobacco in the state.

Chairman Pollert: In the 2017-19 biennium in the Senate version of SB2004?

Ms. Smith: In the 2015-17 biennium, there is $24 million for tobacco between the Center and the Department of Health. There are 12.85 FTE between the Department of Health and the Center. With the Senate version, we are at $12 million and 5.85 FTE. That considers all of the tobacco spending.

Rep. Nelson: I appreciate that we are able to compare the five priorities that the CDC best practices rate the states on. It would be good to know how each of those areas change in spending as well as what was being done that will change. We're going to have to know what was working well. There are things that have been done that have to be eliminated.

Ms. Fremming reviewed changes in the CDC categories (attachment 1, page 5).

Rep. Nelson: So the net savings there is $3.5 million?

Ms. Fremming: The $1.1 million, we would use that for continuing to promote NDQuits. There have been some successful secondhand smoke awareness TV campaigns that the tobacco center has done on multi-unit housing; maybe we would continue with some of those. Continued to review testimony.

Rep. Nelson: Regarding the $488,000 for staff and operations under State and Community-based Interventions, why isn't that up in the administration and management?

Ms. Fremming: We code our staff time based on the activities they are doing. For the staff people who are managing our state and community based intervention, it's more appropriate to code their time there because they are advancing that community intervention work.

Rep. Nelson: When we come up with a different number, are we comparing apples to apples with the way the Center codes their employees now in this area?

Ms. Fremming: I'm pretty sure.

Rep. Nelson: What is the total between the two agencies today?

Ms. Fremming: That today is $8.5 million combined between the two agencies.

Rep. Holman: You can't do as much with $12 million less. You're dropping 7 employees. What services are not going to be delivered? How does that fit into the best practices formula that we've been doing?

Chairman Pollert: Two years from now, what will we see?

Ms. Smith: We have a schedule that shows for the current biennium what the Center and the Department each have in each of those five categories.
Reviewed written testimony (attachment 4).

Chairman Pollert: There are some that believe that all of those dollars wouldn't have to go out either. There's an equilibrium in there somewhere. But we're going to be able to have measurable factors to tell us where we are at?

Ms. Smith: Yes.

Rep. Nelson: Didn't we just learn that we lost a federal grant because our adult population isn't meeting the cessation goals? And by lowering cessation programs $5.588 million, are we just giving up on that possibility of ever getting that federal grant again?

Ms. Smith: It depends on what the smoking rate does.

Rep. Nelson: It's not going to go down by itself.

Ms. Smith: It didn't work when we were spending $24 million.

Rep. Nelson: It was going down. The cessation program is one of those areas in the adult population where we're trying to get people to quit smoking. Most of the progress has been made in youth populations in not getting them started smoking.

Chairman Pollert: I think one of their objectives would be to work for the youth numbers.

Ms. Fremming: Most of the prevention work falls under the state and community based interventions category. That prevention work will continue at the local level through Local Public Health. They will have to provide us with some direction on the needs.

Rep. Nelson: State and community based interventions is down $5.7 million from current spending. I'm looking at the Dalrymple budget draft (attachment 4, page 2).

Ms. Fremming: The numbers I was referring to are the Senate budget changes.

Rep. Nelson: In this exercise, we're comparing today to tomorrow and we are down $5.7 million in that area. I know that isn't all youth smoking programs. That's the total state and community base interventions line items.

Ms. Fremming: In the current biennium, we have $8.5 million budgeted under the state and community based intervention between the two agencies. If you look to the Senate changes sheet, that total is $6.5 million.

Ms. Smith continued to review written testimony (attachment 1, pages 6 and 7).

Chairman Pollert: Does anything change off of this? This is where we are with SB2004 as of today?

Ms. Smith: Yes.

Chairman Pollert: If SB2004 goes as amended, that means there will be $29 million for the next biennium.

Ms. Smith: Yes.

Chairman Pollert: Where would we be at in 2019-21 and 2021-23?

Ms. Smith: We're spending $27 million in 2017-19. If we spend that same amount in 2019-21, we will only have $1 million left for 2021-23 because there is no more revenue coming into this fund other than the investment earnings.

Chairman Pollert adjourned the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/10/2017
29024

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachment 1

Chairman Pollert Called the committee to order.

2:00 Arvy Smith, Deputy Director of the ND Department of Health provided overview of the Medical Services division and reviewed testimony (attachment 1). The medical services section contains the budget for our disease control division and our forensic examiner. Under the disease control division, you have things like immunization program, disease surveillance, infectious disease, sexually transmitted disease, HIV, those types of diseases.

4:10 Medical services is the top sheet, (page 1 of attachment)

Chairman Pollert: Everything is here from the senate version and the base is zero? And that's how these will show, right? This is the Governor Burgum budget.

Ms. Smith: So it has the health insurance 5% reduction but it doesn't reflect the 1% raise for the second year.

Chairman Pollert: The green sheet is zero-based budgeting. These would be just bases the zero and zero and the health insurance without the 5%. Is that correct?

Sheila Sandness, Legislative Council: Not exactly. The green sheet was prepared initially on the Governor Dalrymple's budget. (on page one of the green sheet) There are bolded items and there's some Governor Burgum budget items added in. So we took our original green sheet, Governor Dalrymple's budget, and we added line items for Governor Burgum

recommendations where they didn't line up. For example, item one, both governor's budget's had recommendation in regard to salaries and health insurance. So we just noted what Governor Burgum's did in parenthesis and then in bold we identified what the senate did. The numbers on the right do not change; those are left in from the Dalrymple budget.

If we were to take those numbers out, you wouldn't know what the impact would be. There you can see the difference because they're bolded. I don't think Medical Services had any changes. On the bottom of page three, item 45, there you can see that there was a Governor Burgum recommendation that was different from Governor Dalrymple.

10:35 Chairman Pollert: So the Health Department's detail is based on the Burgum budget and the green sheet is based on the Dalrymple budget.

Sheila Sandness, Legislative Council: Yes, but Governor Burgum items are identified and also noted where there are changes.

Chairman Pollert: Going to number one on the green sheet, the Senate removed the funding for the salary increases. The salary increases of the 140,493 general funds, I am assuming that is out of the budget then?

Sheila Sandness, Legislative Council: That $140,000 includes the insurance increase so the entire amount doesn't come out, just the 30 thousand 136 dollars related to the salary.

12:15 Ms. Smith: So when you go back and look at our sheet then, our salary here is at Governor Burgum level so the difference is the health insurance reduction is out of here, and on the green sheets under medical services page 2 line 12. (105 thousand)

There are no new FTE, no reductions of FTE, the change is basically to continue the second year salary increase. Then there was an increase in temporary salaries to work in the forensic examiner's office and probably related to some federal grants.

Chairman Pollert: How many temp salaries do you have in Medical Services?

Ms. Smith: In Medical Services, our temporary amount is 487 thousand

Chairman Pollert: That would be equivalent to how many people?

Ms. Smith: We would have to do a calculation and get back to you on that. Some are very small amounts then there are a few cases when it's someone actually working full time.

Chairman Pollert: So their temps but out of that 487 could you tell me how much of it would be over time?

Ms. Smith: As far as overtime, we have 31,500 and that is dealing with outbreak activities. The bulk of it is temporary positions.

15:50 Vice Chairman Kreidt: Do we still contract with Grand Forks for autopsies?

Ms. Smith: Yes, in this budget we have 480 thousand that we would be contracting to UND and if you recall originally it was 640 thousand last biennium and 160 of the got placed in the higher ed budget. From what we understand that's still in the mix with the formula, but it's not specifically identified so it's a little concerning. When you look at the number of autopsies, the 640 thousand was a good amount for the number of autopsies that they have been doing. If they see that 160 thousand and only get the 480 from us I imagine we will be renegotiating counties and the state may end up taking back some of the counties.

Vice Chairman Kreidt: And the state has 1 pathologist?

Ms. Smith: Yes, we are still at one pathologist. I think when we get out of budget, we'll be renegotiating with them, we've heard a little bit of rumbling of them possibly not doing it at all. Then we would need to use the 480 in our budget to hire another one. Or else find a way to screen out some of them, the ones that we do a shorter review of.

Chairman Pollert: What is in the temporary? If there is about 450 thousand in temporary salaries that must be equivalent to 10 at least 10 temporary FTEs?

Ms. Smith: Six are full-time and are related to federal grants that we get. Then part of another position and then there a small amount of some general funding in there for when we have the part time autopsies assistants. Most of this is federal funding. Only around 25 thousand is general fund and that would be related to the autopsy program.

20:45 Rep. Kading: How many square feet do you operate for Medical Services?

Ms. Smith: Our facility includes some office space that is adjacent to the state lab, out near the state penitentiary, and the majority of that space is the lab, the other piece is the area we use for autopsies, that's about 5000 square feet.

Brenda Weisz, Director of Accounting for the Department of Health: So for the lab that is shared with the chem lab, that lab is 12,300 square feet, and 4,773 is for the morgue.

Rep. Kading: What is included in the 59 thousand for repairs?

Ms. Weisz: That'll be operating repairs for equipment, that not for the building.

Ms. Smith: That doesn't have to do with the buildings. It's maintenance for equipment.

Rep. Kading: What is IT contractual services, 1.8 million, what is that about?

Ms. Smith: There is a schedule for that, the second page (of attachment 1). A lot of that is with Blue Cross and Blue Shield for our immunization registry, that about 1.625 and the electronic lab reporting is 205 thousand of that.

Rep. Kading: What makes the Blue Cross immunization registry so expensive? Is it that in-depth or what?

Molly Hallow, Immunization Program Manager for the Department of Health: The annual maintenance costs the ND Immunization Information System run just under 300 thousand. We received extra grants from the federal government for other side projects. Most of that is due to the other grants. Otherwise it runs about $300,000 a year for maintenance.

Chairman Pollert: The Health Department has a lot of federal funding, in this particular budget there is 17 million, and 25% is general funds and 75 is federal.

Ms. Smith: We're about 65% federal, 15% special.

Chairman Pollert: On these spend down reports, if I look at November, that is about 71% of your time is occupies roughly, same as we've done with DHS, if I look at the $140,000 and divide that by 70.8% I get about 200 thousand for travel expenses. That looks a little high.

26:30 Ms. Smith: Probably due to delayed travel that's occurring later in the biennium. The federal grants typically require travel by the directors of those grants for training purposes. A bulk of that travel is related to that. Some could be related to inspections if we've got to investigate an outbreak. We were higher in that area last biennium with the Hep C outbreak in Minot.

28:20 Kirby Krueger, Section Chief for Medical Services: One of the things we monitor is the resistance of multi drug-resistant organisms in North Dakota. These are bacteria that have developed resistance to antibiotics. There's a particular type of bacteria that was reported to us that has the capability to be resistant to all forms of antibiotics. There was one case that was reported in the Northeastern part of the state in a long term facility.

Rep. Holman: What are you **not** doing with medical, dental, and optical to save $2.5 million?

Ms. Smith: Since the time that program started, local public health is now able to bill insurance for those vaccines and the ACA required first dollar coverage rather than spending general fund dollars on that. That was part of our allotment in the current biennium effective July 1st.

Chairman Pollert: So we won't see a drop in services

Ms. Smith: When we started this, our immunization rates did not go up. So when we change this, I'm skeptical that they'll go down. Smaller areas end up with dollars wrapped up with inventory that doesn't turn into cash for a while. All we changed is the vaccination. They were billing for the admin costs anyway. If they aren't getting funded enough from admin that's already happening, this just changed the vaccination. The state's not paying for the vaccination, they're billing insurance for the actual vaccine.

Rep. Kading: There's a movement that immunizations are a bad thing. Is that a growing trend?

Mrs. Hallow: There are definitely anti-vaccine groups that are out there, currently for kindergarten entry 3.1% of parent exempt their children from immunizations. It has increased

in ND. Each year our kindergarten exemption rates increase, ND is not as high as some other states. You need to have a 95% vaccination rate for some of these vaccines. Especially for the measles (MMR) because it's so contagious. You have to have 95% of the population vaccinated in order to keep the disease out of the community. That's what we're most concerned about. We're also concerned that there are pockets within the state, the northwestern area of the state there is a 7% exemption rate.

Rep. Holman: How public is that local information so that other parents might react to a high rate of exemption?

Mrs. Hallow: We do publish the school immunization rates on our website by county. There was a recent article in the Williston Herald on the issue in the northwest part of the state.

Vice Chairman Kreidt: There are certain school districts that if the child isn't up to date on their vaccinations, the child can't go to school, has there been some issues with that?

Mrs. Hallow: The past few years we have been working closely with department of public instruction and school, along with local public health units to increase our kindergarten immunization rates. This year we did get up to 94% and that is because schools now have started enforcing immunization requirements, which states kids need to be kept out 30 days after the start of school if they are not up to date. There's not really not anything we can do if the schools don't enforce the requirements. We had a representative from the attorney general's office speak to all of the superintendents about the liability if they don't enforce. I think that had a significant impact on why schools are now starting to enforce.

I think schools were nervous about keeping kids out because they feel it's their role to educate them, but I think what they are finding is that when they do start to enforce this most kids are only out a day. Then parents are getting their kids in to be vaccinated.

Vice Chairman Kreidt: I received a letter from the Health Department that I should get a flu shot, who gets those types of letters?

Mrs. Hallow: We're doing a pilot project, using the ND immunization information system, because we have so much adult data we have started notifying adults who are not up to date on their immunizations.

Chairman Pollert: We've exchanged information and letters on the information system, am I the only one who gets enquiries on that? I have some parents who want to opt their kids out of the information system. Are people asking for that?

Mrs. Hallow: We get maybe one request per year. Adults are able to opt out of the NDIS. We've had 10 total ever.

Chairman Pollert: Only 10 out of 700,000 total citizens.

41:55 Rep. Meier: For home school students, they have the option not to record or you do no recording for home school students?

Mrs. Hallow: I don't think our data is very good for home schooled students. They are supposed to report their immunizations to the district in which they live, but there's no way to enforce anything, the data is not very good.

Rep. Meier: So it's just an optional recording if they want to have that information recorded?

Mrs. Hallow: It is in state law that they are supposed to report, but it's pretty much optional.

Chairman Pollert: So in that case, once they would enter the school system they would have to have immunizations at that time? And if they go into a university, do the universities ask about immunizations?

Mrs. Hallow: Yes, in fact you can't even register or get a dorm room without them. My understanding is that it is enforced but the university system allows the same exemptions.

Chairman Pollert: They would have had to have signed an exemption sheet or something?

Rep. Nelson: Was there any attempt to find out about immunizations during the DAPL situation? There were a number of young people down there.

Mrs. Hallow: There was not an effort to determine the immunization status for the people living down there, I do believe there where some doctors from the HIS clinic that conducted flu shot clinics down there and they offered tetanus and influenza to people doing clean up.

Rep. Holman: There was an additional shot for old people. Are there increases in the amount available? What are some of the changes that you've made for this?

Mrs. Hallow: For adults 60 and older, there is a recommendation to receive the shingles vaccine, and then for 65 and older they are recommended to receive two different pneumococcal vaccines. As far as efforts, we're working with all of our partners and trying to do reminders and those things.

47:30 Chairman Pollert: Out of the medical, dental, and optical, that $2.5 million reduction, how much of that was for vaccination?

Ms. Smith: The detail for that is the immunization change resulting in a reduction of 2.9 million. So there was an offsetting increase of almost 400 thousand in the Ryan White program and that was for test kits for HIV prevention and that is a 100% federally funded activity.

Vice Chairman Kreidt: Under professional services, it's all federal dollars. I was under the impression that ebola had gone away. What are we still doing? And the zika virus?

Mr. Krueger: With ebola, there are activities that we undertook to make sure that facilities could handle ebola patients safely. The other part is if we have people coming in from a high risk area, there is active monitoring that we are doing with those individuals.

Vice Chairman Kreidt: So there are still active cases coming in to the United States?

Mr. Krueger: If there were travelers coming in from a country where there was an active outbreak we would monitor those individuals.

Chairman Pollert: Talk about operating fees and services, what's going to happen for the remainder of the biennium? The 2013-15 expenditures where 7 thousand, you've expended at 8, the 2015-17 budget is 27 and now you're at 27.

Ms. Weisz: The costs that go in that area are service awards fees and advertising services and they are various hit and miss expenditures.

Chairman Pollert: In the remaining 7 months you'll be spending that remaining 20 thousand dollars?

Ms. Weisz: Possibly. As we built our budget, if things are going down possibly not. We don't do a lot of advertising in the Medical Services division.

53:25 Chairman Pollert: I will have a question on the Ryan White because you used $400,000 from Ryan White and I'm wondering where that comes from, you also got Ryan White on another schedule here under federal funds.

Ms. Smith: The $400,000 was in the medical, dental, optical so it won't be in the professional services, it was not only for test kits but also for insurance premiums that we pay for.

Vice Chairman Kreidt: How many participants are involved with Ryan White right now?

Mr. Krueger: I don't have an exact number but I think it's around 200.

Chairman Pollert: You have 2015-17 biennium it's media or advertising for the 506 thousand and you have a decrease in there. Have you historically not spent as much money on that or is this a budgetary thing? In your effort to help balance our current budget restraint that why you reduced 265 thousand dollars?

Ms. Smith: I believe we had an extra effort in the current biennium. We got extra funding from HPV to promote that vaccine and it was very successful. So we brought that back down.

Rep. Holman: You're cutting back on HIV prevention and HPV campaign. Are there any consequences?

Ms. Smith: That would be again the same funding source we had gotten for the media campaign for HPV a so that funding source went away. As far as the Ryan White going down it might have been a matter of balancing the available federal funding.

Rep. Holman: On the forensic part, what are the national medical services that caused the cost to go up?

Ms. Smith: 480 thousand that's the contract to UND to do the autopsies and then the one right below it, since we only have one forensic examiner, if he goes to training or takes annual leave we need coverage, we pay UND $2000/autopsy. Sanford health is pathology,

and electrolyte testing that we are not able to do in house, so we contract that out. National medical services are our toxicology testing. While our crime lab may have the capability, they don't have the time.

Mr. Krueger: The way we do our toxicology testing at the forensic examiner's office is that the crime lab does do that testing for us for free but they can only tell us if it's present or if something is not present. We don't get a quantitative amount, so once we get a positive from the crime lab, we send it off to national medical and they can see if it was a lethal does that was there.

Ms. Smith: But I think ours has the capabilities but not the time. So they do provide some assistance.

Chairman Pollert: How much money do we have going out to UND? I thought you said it was 480 thousand plus another 160 thousand?

Ms. Smith: The $480,000 is the UND Pathology department and that is for the ongoing autopsies for about 21 counties in the northeast part of the state, 480 is from us and the other 160 is from higher ed. The additional 40 right below that is to cover when ours is gone.

Chairman Pollert: With the $160,000, has the department checked if that is in the higher ed budget? Anyone know?

Lori Laschkewitsch, OMB: While it was specifically listed in the bill during the last biennium, with higher ed, everything becomes the formula. So it's not specifically listed in SB 2003 but the med school does get a base and then some residency money. They do get a base differently than other campuses. Whether there has to be some due diligence done to confirm that?

Ms. Smith: We have been in communication with the medical school to alert them to watch and make sure this stays in there. With their own situation, they would have to set their own priorities.

Chairman Pollert: Has the $480,000 always been spent?

Ms. Smith: When this first started, it was $640,000 in our budget. Last biennium, $160,000 was siphoned off and put in the higher ed budget.

1:03:35 Chairman Pollert: What is the contract pharmacy? There was nothing in 2015-17 now it's in the general fund.

Ms. Smith: We have had various outbreaks in the state of tuberculosis. We've had to find it somewhere, we realigned some general funding from other areas so we actually have a budget for it. It's not going away.

Mr. Krueger: Tuberculosis is something that we've seen a bit of a resurgence in ND, 2012 we had a large outbreak up in Grand Forks county. Traditionally we would have had 4-5 cases reported a year. Now we have somewhere between 12-15 cases reported a year.

One of the things that we do is provide the treatment for tuberculosis, and you need to be on treatment for 6 months. If they fall off of treatment, we run the risk of having a drug-resistant The money you are talking about is to contract with a pharmacy to help us with the pharmacy services. We need to have a pharmacy do this and do it correctly that is part of what you're seeing there.

Chairman Pollert: Is tuberculosis increasing?

Mr. Krueger: Yes, it's getting more active, but we had such small number to start with. This is a labor-intensive disease. It takes a lot of work to do the investigative work, to find the people that may be in contact with the case. Make sure they are monitored and treated for their 6 months.

Rep. Meier: Are those cases still isolated to the northeast corner or where are those occurring?

Mr. Krueger: The predominance of those cases come from the eastern part of the state but they are all over.

Rep. Meier: What typically is the age range you're seeing with these cases?

Mr. Krueger: They're all age ranges. Typically, we don't see pediatric cases very often. Generally, we see adults and those can be any age.

Chairman Pollert: What are the state viral hepatitis professional fee contracts, what are you talking about? I see an increase on that.

Mr. Krueger: I believe those are the local public health units. They provide the point of care testing. The rapid test of hepatitis C. They can also provide vaccinations for Hepatitis A & B for those with C, once you have C your liver is already compromised.

Chairman Pollert: Do we have more cases of Hepatitis C showing up?

Mr. Krueger: Yes, with increasing injected drug use, this is a blood born pathogen. Those costs are estimated in the 85-90 thousand dollars to treat right now. The term cure is used very carefully with Hepatitis C. They go into undetectable levels for prolonged periods and then they may be considered cured.

Rep. Nelson: I still don't Is the $100,000 just to use that particular pharmacy? There are no medications involved there?

Mr. Krueger: You're correct. We're basically contracting to be able to use their pharmacy license and services and to make sure the drugs are distributed according to state law.

Rep. Nelson: Is that RFPed?

Mr. Krueger: We did do a RFP on that, UND stepped forward and said they should be willing to do it.

Rep. Nelson: It's third-party reimbursable and Medicaid eligible. What if someone doesn't have insurance?

Mr. Krueger: The administrative fee is supposed to cover anything that they can't recoup. We can purchase the drugs for them on the 340B contract for those that they can't recoup third-party. This is brand new; we're still working out the details. UND would be eligible or we can make them eligible through our program.

1:14:50 Chairman Pollert: What is an Arboviral automated testing system? (page 4 of attachment 1)

Mr. Krueger: It is a system used in the laboratory that can detect viruses that can be transmitted by insects or ticks. For us its West Nile virus testing but this instrument can do other things, it runs some TB testing, it does some hanta virus, Lyme disease and herpes testing as well. This is replacing an older piece of equipment, Brenda just told me that the machine we replaced was 12 years old and it was a machine that the manufacturer was no longer offering maintenance or service for.

Rep. Nelson: What was the turnaround time with the previous machine and does it change with the new one?

Mr. Krueger: I am not sure, generally speaking these are low volume tests and they are run as needed, once or twice a week.

Chairman Pollert: With the hanta virus case in Carrington; that was a rodent infestation I think so would you have used this for that?

Mr. Krueger: Yes, the hanta virus is related to the deer mouse in ND and you get exposed from dropping or from saliva if bitten. Yes, this machine would be able to detect that virus.

Chairman Pollert: Do other hospitals have this machine or will they come to you to do this testing? And do you charge for that test?

Mr. Krueger: We don't charge for the Hanta virus that I'm aware of. We do charge for some of the tests., the TB testing for example.

1:19:45 Rep. Holman: There are two big increases in grants to University of Minnesota and the Hi-tech Medicaid have significant increases. What do they do?

Ms. Smith: These are all different federal grants and are effected by the level of federal funding that is available to us. The Interoperability Hi-tech grant has solid funding for us.

Mrs. Hallow: The University of Minnesota Occupational grant is a grant that we're hoping to receive. The Interoperability Medicaid funds, there is a program with a 90-1- match, this would be the funding that would come to continue to connect to electronic medical records across the start.

Chairman Pollert: The Epidemiology and Laboratory Capacity, I know it 750 thousand dollars from the federal government but what's it for?

Mrs. Hallow: They've been seeing increases, mostly around healthcare-associated infections.

Chairman Pollert: Explain unallocated executive compensation package. (page 5 of attachment 1)

Ms. Smith: When we get the information we don't go back and spread that across all the payment sources, so we just track it there and we know a certain portion of the grants are going to come towards these costs.

Chairman Pollert: So it almost looks like salaries that aren't spent and you're trying to keep them?

Ms. Smith: When Governor Dalrymple did the salary increases; if we were to adjust all of this and pull a little out of each of those grants to pay for these adjustments we would be redoing our entire budget. We just mark it here and those numbers above will come down to cover these costs.

Rep. Holman: Do most of these grants have a percentage in them so you get money for administrative and operational costs in addition to what passes through and is there a typical amount?

Ms. Smith: The pool for indirect costs is in the administrative support budget. Then we do an allocation to all the funding sources and we get that approved by the federal government. Each year we get a new rate approved then we apply that to the grants as they get approved.

Rep. Nelson: On the immunization grants, there was a 327-thousand-dollar decrease, was that just an award difference? Does it go to local public health units and who makes up that difference?

Mrs. Hallow: We have some grants that will be ending this biennium. Then we are anticipating cuts in the federal funding to immunization grants.

Rep. Nelson: Give me an example of an area that would be cut.

Mrs. Hallow: We probably wouldn't do a media campaign; that would be the first thing to go, the reminder recall,

Rep. Nelson: But there won't be a drop-off in vaccines or administrative costs to local public health units?

Ms. Smith: We're trying to predict which federal grants we will get. Sometimes we do know and we'll increase or decrease them. The other thing we are facing is with the ACA there was the prevention and public health fund that initially covered only a few grants. We are concerned with the changes in ACA on what will happen with that fund.

Rep. Nelson: Is there contingency language you would suggest to have in the Health Department bill to respond to changes in federal grant funding or are we just going to take the best guess before we adjourn?

Ms. Smith: We may want to add those here. As far as removing them, if we don't get the grant, we don't do the function. We're a little concerned with the PPHF fund going away because it does fund some critical functions.

Chairman Pollert: I would suspect that if this get to be an issue because of the change in Washington you would be bring that forward to the health care reform committee.

Ms. Smith: That is the plan. We are at the table with this. The Governor's office and OMB are following this, know that this is part of the picture.

Chairman Pollert: Other questions? We'll recess the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/10/2017
29042

☐ Subcommittee
☐ Conference Committee

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Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachment 1

Chairman Pollert called the committee to order.

Arvy Smith, Deputy Health Officer for the Department of Health (attachment 1).
The administrative functions, the health officer deputy, public information, human resources, accounting, and then also in there are Healthy ND, local public health grants for state aid, the loan repayment programs and the biggest part vital records.

Chairman Pollert: What is the increase to temporary salaries?

Ms. Smith: The field medical officer, currently that is a half time position for the department and works on varies projects. This person works with children's special services within the community health program. Whether we attach that to this position or another one, where ever we have the need for the physician expertise. The other significant increase is to public health projects. There is one position that is half-time that needs to assist with other grants that come through so we have increased that time a little bit. That would encompass a large part of the increase for temporary.

Rep. Nelson: What are the education requirements for the field medical officer and do you contract hourly?

Ms. Smith: That is a physician and actually this particular one is ½ of a FTE. She is a half FTE today but sometimes she goes over because there are other projects that we need her to work on.

Chairman Pollert: Give us an example of what she does.

Ms. Smith: I mentioned that one of the main functions is in children's special health services, but she did a lot of work with medical marijuana. Telehealth, asthma clinic, just a bunch of different project that require a medical person.

Rep. Nelson: Is there a desire on her part to become a full-time FTE?

Ms. Smith: Probably not full time, but she's willing to fill in when she's been needed.

Rep. Nelson: Where do the special funds that are involved in the salaries come from and what's the 90-thousand-dollar increase do to?

Chairman Pollert: The field medical officer is part time, so what did she make before this increase 76 thousand dollars?

Ms. Smith: We can get that number for you, but she would have made the equivalent of 20 hours per week so when she worked over that we just broke it into an hourly rate. The special fund increase source? That amount would be related to the indirect cost rate collection. We are able to collect more related to indirect costs.

9:55 Rep. Nelson: Who pays air quality fees, the power plants?

Ms. Smith: Yes.

11:15 Rep. Kading: On the operating expenses, how are federal funds paid out to you? Hypothetically, if we were to cut 50 thousand of operating funds, is there a match % or how's that work? And if you did what would that percentage be?

Ms. Smith: It depends on how it's done, if your intent is to hit a particular program we would pull it out of that program's funding source. If you were take a general cut in operating, we would probably apply a percentage either based on a line item or on total funding. Grants get specific, so we would look at the operating line item funding sources.

Chairman Pollert: What happened in building and vehicle maintenance?

Ms. Smith: This is our one-time costs related to some re-carpeting, painting and reorganizing on the floor of the judicial wing. The emergency medical services recently moved out of the capital and they had window so we moved the accounting over to that area. The left over pace we turned into some conference rooms and cubical.

15:40Brenda Weisz, Director of Accounting for the Department of Health: We prepared the budget based on the budget message from OMB, so our current budget numbers reflect what was in place in June and doesn't have reductions in there for the allotment.

Ms. Smith: The increase is related to motor pool replacement costs and then a little bit of extra travel in primary care office, which is federally funded.

Rep. Meier: Explain the IT contractual services increase of 40%?

Ms. Smith: That is on the second page of the handout, below professional services are our IT contractual. We have been working with reporting system for all of our grants with a company named Nexus, we do about 800 contracts a year, we've been working on a system to track all those.

Chairman Pollert: This would be a computerized system to help with the grants?

Ms. Smith: So this is to track grants and contracts going out to people. We've seen a need to get a handle on that centrally.

Chairman Pollert: Talk about office supplies. Is that just replacement of desks?

Ms. Smith: We need to purchase paper for vital records. They use specialized paper to print the birth certificates so it must have been time to purchase paper. This has to do with vital records.

With data processing; to finish the conversion of death and birth records from the old mainframe to our new electronic verification records system, I believe that is federal funded and this will finish that project.

23:25 Rep. Meier: On professional services, let's look at Healthy ND and Learning Hearts.

Ms. Smith: Healthy ND is related to an effort started in 2002 with Governor Hoeven. We meet every two months to talk about issues in public health to make sure we are working together. The external part of it is the statewide vision and strategy and that is more of a state effort. This contract is a person to keep track of all that, do their minutes, bring them all together. She does a coordinating effort, that is paid out of the PPHF fund.

Kelly Nagel, Director of the Office of Public Health: That grant funding came into my office and we brought partners together like BC&BS, local public health, ND health information network was a big partner in that. What we did was try to implement blood pressure protocol throughout the state and providers. It was a big effort to identify individuals with hyper tension and refer them and get them into treatment.

Rep. Meier: That funding just went away, correct?

Ms. Nagel: We had the funding for three years and it will end in June of this year.

Chairman Pollert: What is cross jurisdictional sharing?

Ms. Nagel: That is also a funding a nonprofit funding for them to focus on on-site septic systems and data collection to determine if there are benefits to providing those services.

Chairman Pollert: So we're gathering data on sewer systems?

Ms. Nagel: On the services that are provided in outlined counties. They are working towards a statewide ordinance so we hope to determine if that statewide ordinance has been a benefit.

30:55 Chairman Pollert: This is just a historic of what we'd done for the local public health units for funding for the state aid funding. Does this have anything to do with the tobacco with the licenses?

Ms. Smith: Yes, we have it broken out by funding on that schedule (page 5).

Chairman Pollert: Does all this money going to local public health go to only tobacco?

34:40 Ms. Smith: Traditionally what the state aid, funding for local public health to cover whatever gaps are needed for public health services. It is not dictated that funding needs to be spent on any particular thing. Where ever there are gaps, like immunization, as we put the budget together and we made that 3 million change with the vaccines, just in case there where some gaps or financial challenges we agreed that we wouldn't cut this 10% for our budget reduction. The other thing that occurs why we didn't cut this is because our federal grants are holding level so we aren't able to push out as much to local public health as we would like and so they don't get increase to cover their inflation and insurance and salary adjustments so our goal was to hold that number even.

Chairman Pollert: Could it be said of the million, since you went to the third-party paying on immunizations, is that what this is for?

Ms. Smith: Not specifically, not all of them need it but it could be.

Chairman Pollert: Do you have one schedule that says the total dollars that the local public health units are going to get if things stay the way they are?

Ms. Smith: As far as what the Senate did, it only relates to tobacco. If you want a schedule of all that we give local public health, we would need to put together a schedule, it's all over our budget.

40:30 Rep. Nelson: So this schedule doesn't reflect the changes that the senate made because in the public health, state aid should actually be 2 million dollars of special funding?

Ms. Smith: In the 2017/19 column? Yes 2 million.

Rep. Nelson: The $1 million that the Senate added, was that taken from the remaining balance left in the tobacco control trust fund?

Ms. Smith: It's funded by the tobacco prevention control trust fund, but where it was taken from and where you're starting point is, is your starting point is the governor's budget then it was added. The Governor only had $3 million in tobacco spending for local public health and the senate added to it. Instead of keeping it down there, we moved it up here. It was originally in tobacco funding from the center to the locals.

Chairman Pollert: So a contract with first district could be totally different from Custer which could be totally different for a single county like Foster county which could be totally different for Central Valley, in Jamestown, with some overlapping requirements if they work together?

Ms. Smith: We do ask them to report what they have done with the funding but they have different prioritize and different needs in their communities, the money is dispersed in a formula base plus population proration.

Chairman Pollert: What is Health Equity – NDSU on the grant schedule?

Ms. Smith: A couple biennia ago we had a full-time FTE to work with tribes and various other dispirit populations, and we had a federal grant for that originally. We were only able to fund about half of it so we put it in our indirect costs pool, so that we had some federal funding to help pay for that. We decided it would work better to do our health equity through a contract with NSU. That is funded through our indirect cost pool because it does affect all of our programs.

Ms. Smith: We have schedules that show how those programs are funded, how they used to be funded, you'll be able to see all of that on a nice spread sheet.

Chairman Pollert: The federal loan repayment program.

Ms. Smith: The other loan repayment programs, those are all state programs. The last one is a federal program but it's called, the state loan repayment program. It has very specific requirements so it's very difficult to use, but we have tried to keep it, it's 100% federal funded. It involves many different medical professionals that can be funded through it.

Chairman Pollert: Could you give us an example of what medical could be?

Ms. Smith: Nurses, counselors, pharmacies, very broad.

Rep. Nelson: Is the $500,000 decrease because we can't access those matches? Is the money available if we could?

Ms. Smith: We have trouble finding applicants to this because of the community requirement and the other requirements related to this, we brought that down to more accurately reflect what our actual activity is.

Rep. Nelson: What is the grant local match in this program?

Ms. Weisz: It's dollar for dollar so we brought down our grant where it was.

Chairman Pollert: Give me the acronym again PPHF? And how much comes into the state with that?

Ms. Smith: Prevention and Public Health Fund and that is with the ACA. It brings in 7 million.

Chairman Pollert: Anything else? If not, we will adjourn the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

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3/13/2017
Job 29064

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

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Minutes: Attachments 1-2

Chairman Pollert called the committee to order.

Arvy Smith, Deputy State Health Officer for the Department of Health reviewed the grants.

Chairman Pollert: Looking at the grants line item, the dental loan has a decrease of $120,000, the medical loan is $162,000, the behavioral health loan has an increase of $187,000, the veterinarian loan program has an increase of $55,000.

Ms. Smith: The decreases you see here, the dental loan repayment for example, are due to a couple of individuals that backed out of the loan repayment program so we did not decrease any positions moving forward.

Chairman Pollert: Where do the special funds come from, the community health trust fund?

Ms. Smith: With the dental loan repayment, the special is the student loan trust fund.

Chairman Pollert: What is the student loan trust fund?

Sheila Sandness, Legislative Council reviewed the student loan trust fund.

Chairman Pollert: With the Senate bills that are in, it looks like there will be a $1.5 million deficit in that fund. Do you know what is going on with that?

Sheila Sandness, Legislative Council: I do not. Yes, you're right, that will have to be reconciled between those bills.

Chairman Pollert: In 2015-17, we started the dental loan program coming out of the student loan trust fund.

Sheila Sandness, Legislative Council: That's true. The 2015-17 biennium was the first biennium that this source was used for those loan repayments. Prior to that I believe it was general fund and community health trust fund money that was taken.

Rep. Meier: How many students are utilizing this loan repayment currently?

Ms. Smith: I believe it is three per year. If you have some questions about these individual detailed programs we can show exactly how many individuals are coming in and out of each.

Rep. Nelson: You said the reason for the reduction was the lack of use or a couple of applicants didn't take advantage of the loan repayment program. Is there not a waiting list for applicants?

Ms. Smith: For the dental loan repayment program, we had a couple back out because of the penalty related to withdrawing. They backed out before signing the agreements. That is being corrected in a bill, 1035. The dental loan to make that penalty consistent with the other programs. We do have waiting lists but by the time we get a new person in that payment may fall in the subsequent biennium.

Rep. Nelson: The individuals that didn't take advantage of that, did that happen in this last calendar year so we couldn't bring somebody else up to take advantage of the repayments?

Ms. Smith: Because of the allotment, the budget shortfall, we elected not to add more in.

Brenda Weisz, Director of Accounting for the Department of Health reviewed loan repayment schedules (attachments 1 and 2) (0:14:00).

Rep. Nelson: Is the community match of $2,000 per year or total?

Ms. Weisz: The match is in total.
Continued to review handouts.

Chairman Pollert: This whole sheet is on a per year basis?

Ms. Weisz: The first column; the loan amount per year.

Chairman Pollert: Is everything else on the biennium?

Ms. Weisz: Total loan. They're going to span 2.5 biennium. Payments are made at the end of each year.
Continued to review handouts.

Rep. Kading: Have you found that this program works and encourages people to take jobs in these underserved areas?

Ms. Weisz: Yes, it's been a very beneficial program that has placed individuals in rural communities.

Rep. Kading: Is this money for loan repayment taxed?

Ms. Weisz: No, it is not taxed.

Rep. Kading: How about at the federal level?

Ms. Weisz: No, it is exempt from U.S. tax code.

Rep. Nelson: Under the priorities column, in the last seven areas, it says that designated health professional shortage area. On the corrections side, how specific is that? If we're going to complete the task of corrections reform, we need to have some programs in counties as well. Would they be able to access some of these programs if they worked for a county?

Ms. Weisz: Yes. On the behavioral health schedule, we extended a loan repayment to a Walsh County social service board member who applied.

Rep. Nelson: That's true also with the licensed addiction counselors?

Ms. Weisz: Yes.

Rep. Holman: This probably doesn't cover all the costs. Typically, what is the percentage of their costs that are covered with this?

Ms. Weisz: I think what you're asking is if this loan repayment covers the repayment of their loans. No, it does not for the dentists and physicians. What we found for the licensed social workers, it has covered some of their loan repayment. It depends on the discipline.

Chairman Pollert: The medical in 2015-17 was a general fund and now you're pulling it out of the tobacco prevention and control fund for 2017-19. Is that correct?

Ms. Smith: Yes, that was the Governor's recommendation.

Chairman Pollert: That was the same for both Governors?

Ms. Smith: Correct.

Rep. Nelson: In the areas that you show decreases, the medical has a $162,800 decrease. Is that the same situation as with dental or is there a different reason that wasn't funded?

Ms. Smith: That one is a little different situation. Previously those loans were over four years, now it's spread over five years. It's a lower payment per year; the total didn't go up.

Rep. Nelson: With the funding source, we're taking money from a trust fund that's not replenishing itself. Are we good for one more biennium with this funding source? What is the longevity of funding these programs through the tobacco prevention and control fund?

Ms. Smith: When you look at the fund statement for the tobacco prevention and control trust fund, if everything stays the same as it is in the Governor's recommendation and coming out of the Senate, there would be one more biennium of funding with only about $1 million left so a different funding source would need to be found.

Rep. Nelson: What do we do then?

Ms. Smith: I don't have the answer to that.

Chairman Pollert: Is the veterinarian loan program all general funds?

Ms. Smith: Yes.

Chairman Pollert: Why was there an increase of $55,000?

Ms. Smith: Just a matter of how the individuals flowed. It's a matter of timing.

Chairman Pollert: With the numbers in there, are you enrolling more or does this just continue what we're doing?

Ms. Smith: This is to continue what we're doing. It just a matter of the flow of the payments.

Rep. Nelson: There is one veterinarian that's working at NDSU.

Ms. Weisz: That was fixed in Legislation last session so that will not happen again.

Vice Chairman Kreidt: Do we have a lot of applicants that want to become veterinarians?

Ms. Weisz: We have three slots available each year and we have a little more than double that applying than what we have slots available.

Rep. Kading: What does an average veterinarian make and how is that affected in the rural areas?

Chairman Pollert: Around $80,000 and come out of school with a debt of about $200,000.

Rep. Kading: In a rural area, is there not enough demand to pay them that? What happens?

Chairman Pollert: We have a shortage of large animal vets so with the veterinarian scholarship committee that I'm on, we put a higher priority for large animal vets.

Rep. Kading: This program is just an incentive to get people into rural areas because there is a shortage, not necessarily due to the money. Is that correct?

Chairman Pollert: It's like dentists. It's just easier to live in Fargo or Bismarck than in the much smaller communities.

Ms. Smith continued to review handouts.

Chairman Pollert: What do you mean by indirect rate collection?

Ms. Smith: We get an approved rate from the federal government.

Chairman Pollert: Approved rate for what?

Ms. Smith: For collecting indirect costs to pull an amount out of each of the federal grants and use it to fund our overhead. It's in the administrative support area.

Chairman Pollert: Can you say that you pull a certain percentage from every federal fund to pay for that or is there more to it?

Ms. Smith: That's not how that works. We don't apply it to the entire expenses of a given area; it's applied to the FTE in that area. We haven't changed that process. Our rate ends up being 9-10%. Then if there's a federal grant that funds three FTE, we pull 10% of the calculated salaries and benefits out of that grant and use it to cover this pool.

Chairman Pollert: But you can't use a certain federal fund if it's ear-marked for that. It would have to be a related position that you're funding.

Ms. Smith: We have to use it to pay for our overhead costs. We can't take it and use it to start some other new program.

Rep. Holman: You added something in public health and took away something in minority health. Explain that.

Ms. Smith: We lost the federal grant for minority health. We were able to use a 0.5 FTE and when that person retired, we chose to contract that with NDSU's school of public health. They have a Native American public health center and they go beyond, dealing with disparate populations beyond tribal.
Continued to review handouts.

Chairman Pollert recessed the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

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☐ Subcommittee
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Explanation or reason for introduction of bill/resolution:

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Minutes: Attachment 1

Chairman Pollert Called the committee to order on SB 2004.

Arvy Smith, Deputy State Health Officer for the Department of Health reviewed handout (attachment 1).

Chairman Pollert: With the reduction in the temporary and overtime, is that a reduction in federal dollars?

Ms. Smith: Yes, that is a significantly a reduction in federal funding.

Chairman Pollert: Does that mean that you laid off your temporary help?

Ms. Smith: We had built those grants into our budget hoping we would get the grant. We didn't get the grant, so we didn't hire those people.

Chairman Pollert: I come up with $176,000 and take the number of times and get about $250,000 and you're asking for $335,000 Is that overtime or temporary.

Ms. Smith: There would be very little overtime in that area. It would temporary staff.

Chairman Pollert: What would the temporary staff be used for?

Ms. Smith: For a variety of programs. One that comes to mind is the dental program where our hygienists are temporary they provide federal and special grants.

Chairman Pollert: That is separate from the Ronald McDonald. Is this the division where we will see that?

Ms. Smith: Yes, it is.
Continued to review handouts. $108,000 of that is the bulk. That is the increase.

Rep. Kreidt: The $108,000 can you explain that again?

Ms. Smith: The $108,000 is our health workforce grant. This is our part time public health hygienist. They provide oral public health screenings.

Chairman Pollert: On the temporary part, how much without the federal dollars that you didn't get what kind of increase would you have in the temporary section?

Ms. Smith: It would be a little under $100,000 and $55,000-60,000 is related to oral health workforce a screening survey that we are doing and $40,000 is the breast feeding initiative we have new federal dollars for that the increases total about $100,000 if you to not consider the federal funds that we backed out.

Rep. Nelson: What's the source of the special funds in the salary line?

Ms. Smith: DentaQuest is the one included in that line item. That is more of a foundation as opposed to a federal grant.

Rep. Nelson: So they just block grant money to the department? How does that work?

Ms. Smith: It does have to be for dental activities.

Kim Mertz: With the Division of Family Health; Provided information regarding the DentaQuest grant. The DentaQuest grant is a large grant and foundation at the national level and is to reduce oral decease in the older population.

Rep. Nelson: In this category, you have $87,000. Is that the coordinator from the state that lines up the work in the nursing homes like surveys as well as some procedures?

Ms. Mertz: We have a 0.5 FTE that coordinates that grant. Her job is get the contracts out to long term care. She doesn't do any survey work in the nursing homes. Her job is to make sure that the grant is providing the service in the long term care facility.

Rep. Nelson: So that's about half of the grant. So the rest of the grant would be used for the survey? Did I understand that there are some actual procedures in the grant?

Ms. Mertz: That is correct. About half is for salaries and half out of the contracts. The contacts go to long term care facilities.

Rep. Nelson: In the case of Northland, if they go into the communities, as far as the coverage statewide would it be depended on the groups that have dental as part of them, or how do we get statewide coverage? (12:36)

Ms. Mertz: Why we contracted with them was to develop a model. We need to know what model works best for a dentist and a hygienist to go into a nursing home to provide those services. Their job for us was to put up a best practice model together, now that we have that we are sharing that with the rest of the nursing homes in the state.

Rep. Nelson: Is there any chance of an increased grant if this proves to be successful and move forward?

Ms. Mertz: Unfortunately we're capped at $150,000 for that grant. They've told us that they're guaranteeing us funding through 2020 if they have the 2020 initiative.

Rep. Meier: How many years have we received the DentaQuest grant?

Ms. Mertz: Five years.

Chairman Pollert: Which sections are in community health?

Ms. Smith: The cancer prevention and control which includes the Women's Way, Colorectal Cancer Programs, Cancer Registry, Children's Special Health Services and that's the one where we have the Medicaid match for those funding for those services that are provided at clinics and such for children with special needs. Chronic disease is where tobacco is and also heart disease and stroke prevention, diabetes. Family health has the maternal and child health block grant based on a 5-year plan and the dental programs. Newborn screening. and the poison hotline, carseats. Nutrition and physical activity is where WIC is, breastfeeding, worksite wellness programs.

Rep. Kading: Why is travel growing so much? Since 2013, there is a 181% growth. What is causing that?

Ms. Smith: I would say that would have to do with new federal grants. Our federal funding has grown significantly since that time and with each of those federal grants comes requirements to attend training several times a year. I wonder how heavy in 2013 and 2015 we were doing the hygienist. A lot of that is the increases in the oral health workforce.

Chairman Pollert: How much have we increased the oral health last biennium compared to this biennium?

Ms. Smith: I don't have that number. We can do an analysis for you for 2013-2015.

Chairman Pollert: Then go to the professional supplies because that would under the same and where is that increase?

Ms. Smith: That has to do with educational supplies and such for newborns and that has to do with timing of expenditures.

Chairman Pollert: In 2013-15 you show $ 345,000 but the $370,000 expedited the day doesn't equate out so there must be a timing issue somewhere.

Ms. Smith: Yes. Carseats, breast pumps, and various supplies they buy are bulk.

Rep. Kading: In miscellaneous supplies, you have 182% growth in cost and the same number of staff where is that coming from?

Ms. Smith: You are going back 2 biennium's now. I would say that would have to do with the volume of federal funding going up significantly.

Rep. Kading: Has the caseload on the 54 employees significantly increased?

Ms. Smith: In the miscellaneous supplies, we have started doing incentive rewards for Women's Way and that is why the incentive 2013-15.

Rep. Kading: In IT equipment, you have increased has increased 154% since 2013

Ms. Smith: We operate on a replacement plan so it could have happened that in this time machines didn't come due in that time so that can change a lot.

Rep. Kading: Data processing. What additional ITD data processing needs have driven this increase of 173% in the 2 biennium's?

Ms. Smith: We have a schedule on that. We don't have that. We'll have to go back and look at that.

Rep. Kading: I don't imagine they increased it by 173%?

Ms. Smith: That is the WIC EBT program. That was not in 2013-15. We had it in the 2015-17 budget but due to some technical ability in the system we weren't able to move forward in the current biennium so we backed that out and then we are requesting it again in 2017-19 and not expending it again in 2015-17.

Rep. Kading: What is the federal match on that?

Ms. Smith: We'll use 100% federal.

Rep. Kading: So you're saying that the increase of 199-345 is basically 100% federal funds?

Ms. Smith: By and large yes because most of that will be related to the WIC system.

Rep. Kading: Did you say you have a schedule for that?

Ms. Smith: No we don't.

Rep. Kading: you have the same number of FTES why is so much more professional help development needed?

Ms. Smith: That's related to the WIC program too for folks to learn the new system.

Chairman Pollert: This budget is about 10% general and 90% federal.

Rep. Kading: Operating expenses by my numbers, if you take out professional services which is $5.3 million federal funds and you take out contractual IT which is $535,000 which is approximately 28% general funds and the rest federal funds Is that accurate?

Ms. Smith: What is your question is it the operating line?

Chairman Pollert: Professional services would be roughly 70% federal and 30% general?

Ms. Smith: What happens with funding with this in general is that most are federal funded only with the exception of maternal child health block which requires some matching. There are a couple of traditionally totaling general funded programs and that would be suicide, collateral cancer in the past but now has moved to the tobacco prevention fund. Poison control, domestic violence has a lot of general funding.

Chairman Pollert: IT Equipment under $5,000, is that the portable dental access compressor?

Ms. Smith: That's over $5,000.

Chairman Pollert: What is it for and where is that going?

Ms. Mertz: The Public Health Hygienists had portable equipment that she brought into the school for the children to seal their teeth.

Ms. Smith: The replacement for computers is four years, not three years.

Chairman Pollert: It that the one under $5,000.

Ms. Smith: Yes that would be under $5,000.

Chairman Pollert: Did we talk about IT contractual services?

Ms. Smith: You'll see that WIC and EBT are a huge of that.

Chairman Pollert: Do you use an outside for that What do you mean IT contractual services?

Colleen Pierce, Director of Nutrition Physical Activity and Director of WIC: The contract we use for the WIC management information system is a shared contract with seven MIS for seven states. We have negotiated collectively a contract with a company who basically provides the WIC and MIS for the seven states. The contract is held by the state of Utah and

we in turn sign contractual agreements with the company that we are currently working with. Yes, it is an outside contract.

Chairman Pollert: That would be different from the ND system EBT upgrade? Would that be an outside vender as well?

Ms. Pierce: Yes. We are in the process in planning to make a transition switch the North Dakota WIC program from the current from the way to electronic cards. When we make that decision and receive authorization and funding from the USDA for our plan and receive funding to proceed and receive funding from the USDA to proceed with our plan, we will be looking for some assistance and a contractor to help make our EBT and MIS system work. There will be some cost to make the system ready.

Chairman Pollert: Because WIC is under the Department of Health, is that why EBT system is through there and not through DHS because NAP and all that stuff is through the DHS budget. But because it is WIC that is why it is here?

Ms. Pierce: By USDA mandate, WIC is considered a public health program so WIC contracts go out to state public health agencies across the nation.

Rep. Nelson: As far as the funding sources for operating, the only increase is special funding, where is special funding in the operating line come from?

Ms. Smith: Women's Way, community health trust fund, DentaQuest, domestic violence, tobacco prevention and control will be some of that.

Rep. Nelson: I saw there was one in domestic violence. Is that court fees?

Ms. Smith: Marriage licenses.

Chairman Pollert: Are we still on IT contractual services? What is the maintenance of the autism models? I thought everything with autism was in DHS?

Ms. Smith: Last session they started the autism program and they wanted a registry on the autism patients. Rather than building a whole separate new system we developed an additional module so that we could do it more effectively and then this is the maintenance to keep the special funding available for that.

Chairman Pollert: Do you give this information to DHS? So you're the first gathering point to know how many of these people?

Tammy Lelm: Division Director for the Children's Special Health Area; With the autism database, when that was first initiated, the idea was to gather specific information about individuals with autism to support. The Health Department had the responsibility for the public health surveillance piece of that.

Chairman Pollert: So DHS, for their voucher program, they would get those names and those people from you in the Health Department?

Ms. Lelm: We do not share specific names with the Department of Human Services. It's kept confidential. We have done more advocate level reporting that can be shared with the public that we have shared confidential information regarding people names.

Chairman Pollert: Professional Services. We have Women's Way, what goes to Blue Cross Blue Shield; one looks like a grants, what goes to Blue Cross and Blue Shield? What is the other one?

Ms. Smith: It's a contract with Blue Cross Blue Shield to pay for the cost of the services for the Women's Way clients and to process those costs.

Chairman Pollert: So this pays for the clients that access Women's Way?

Ms. Smith: Yes.

Chairman Pollert: What is the local public health unit?

Ms. Smith: That is the money that we provide to local administer the Women's Way.

Chairman Pollert: So it's grants?

Ms. Smith: It's a contract because we have expectations of services delivery back to us.

Rep. Nelson: The $329,000 in special funds from the community health trust fund, is that on-going?

Ms. Smith: We've had Women's Way coming out of community health trust fund for a while.

Chairman Pollert: Colorectal cancer screening initiative. There was nothing in 15-17 Does that take the place of colorectal cancer professional fees?

Ms. Smith: Yes, it takes the place of professional fees. We've backed out the federal program and kept the general fund portion which has now been switched to the tobacco prevention and control fund trust.

Chairman Pollert: That's part of the $756,418?

Ms. Smith: Yes.

Rep. Meier: The colorectal cancer screening initiative has a $24,000 reduction for training?

Ms. Smith: Yes.

Rep. Meier: What was the reduction due to?

Ms. Smith: To balance our budget, part of our allotment going forward into our next biennium.

Chairman Pollert: I am trying to get all these different funds and being able trace them through. The $329,500 in Women's Way has that always been the Community Health Trust Fund?

Rep. Meier: So the Health Department made the reduction; not the Senate?

Ms. Smith: Yes.

Chairman Pollert: What would the colorectal screening? Did that just switch to the tobacco and prevention fund?

Ms. Smith: That was a grant we applied for and did not get so we pulled it out.

Chairman Pollert: For the colorectal screening, are those incomes eligibility-based?

Susan Mormon: **Director for the Division of Cancer Prevention and Control**: Yes, they are income based. We use the same schedule as we do for Women's Way clients so they are eligible for up to 200% of the federal poverty level. Because of the expended medicate we have the ability to support screenings for individuals between 139% and 200% of the federal poverty level.

Rep. Nelson: To understand DentaQuest better, the whole program is $150,000 grant is that correct?

Ms. Smith: Per year.

Rep. Nelson: we had a $60.000 valuation that doesn't go forward so the valuation must be complete. Is that true?

Ms. Mertz: In an effort to try to get more of the DentaQuest grant out to those qualified health centers to help the long term care facilities do some direct services we have three dental health grants, we moved the evaluation of all three grants into the CDC infrastructure grant. That is why you see that out on the DentaQuest valuation.

Rep. Nelson: How about the oral health coalition for facilitation?

Ms. Mertz: There is an oral health dental foundation in Fargo now and they are taking over the facilitation of the North Dakota Oral Health Coalition.

Rep. Nelson: The $35,000 is the boots on the ground for services?

Ms. Mertz: You're right.

Chairman Pollert: The newborn screening consultation is unchanged from the 2015-17. Has that been in place for a while?

Ms. Smith: Yes, quite a while.

Chairman Pollert: The cancer registry contract for $98,000. Where is that coming out of?

Ms. Smith: I believe that is coming out of the tobacco prevention and control trust fund. The history of that in house with the FTE. For the last several biennium's we contracted with the UND to do that and that is the payment we make to them for doing that.
It has been general fund in the past now it is in the tobacco prevention control trust fund. It's within that cancer programs figure. (55:13)

Rep. Nelson: Is that the same situation? That you found funding in other areas to go forward?

Ms. Smith: You'll see those show up in the grants line item rather than a professional service contract.

Rep. Nelson: Why is that?

Chairman Pollert: Looking at the grants line item, you have an oral health mobilization and a workforce activity are those a swap?

Ms. Smith: The oral health mobilization is the grant we did not get. That would be an oral workforce activity.

Chairman Pollert: On Rep. Nelson's question on CDC oral health, those four, are those funded anywhere else?

Ms. Smith: In the 386.

Chairman Pollert: So that is part of the 386 of federal dollars?

Ms. Smith: Yes.

Rep. Nelson: Is that the first time at has been moved from professional services to grants?

Ms. Smith: We have found over the years, the need to move these because they fit better in other criteria it Is a fine line the difference between contracts and grants. It also depends on who is doing the services on behalf of. if we are passing the requirements of the grant on to the sub recipient that makes it more like a grant as opposed to a professional fee.

Chairman Pollert: (58:35) The four CDC oral health, the school health valuation speakers and miscellaneous professional services, the HRSA oral health, oral health mobilizations, HAS workforce, all of those eight of those are now in the $386,000 in the grant line item?

Ms. Smith: You have the 4 in the CDC oral health and which others?

Chairman Pollert: You have that they are not funded through the federally funded professional services so I am guessing oral health the $21,720, $30,00 the miscellaneous professional services are $1,000 the $6,000 school health valuation, since they are not funded here it seems like we are trying to fund them somewhere else?

Ms. Smith: They all have different circumstances. The two $30,000 are mobilizations those are the grants that we didn't get. Some of the other reductions are related to the program.

Chairman Pollert: So only the four under the CDC oral health those are part of the 386?

Ms. Smith: And the HRSA workforce.

Ms. Mertz: If you look at the grant line items where it says oral health workforce activity then you have the 386. It should have said oral health workforce/CDC because we put those together.

Chairman Pollert: The tele health training to school's network. What is that?

Ms. Smith: That is a new grant that we're applying for to better be able to use telehealth in the state in the schools.

Rep. Nelson: How would that be delivered to schools?

Ms. Smith: You'll run into this in other places.

Rep. Nelson: Is this something we need to add to each school to receive this or is this existing technology?

Ms. Mertz: We didn't get this grant. We were going to be working with Southwest District Health Unit in Dickinson on a tele model through the school. Right now we are working on a tele health school nursing grant which $200,000 that would put a school nurse in the North Dakota Education Corp. which in the Minot area to help all the school in the district with their immunizations and health policies, it would be to set up a network for this school nurse to communicate with the other schools on questions that the schools would have. That technology is available in the state. This would be a new concept for schools the first in the state.

Rep. Nelson: Are there some examples in other states of this technology?

Ms. Mertz: There are.

Rep. Nelson: Who do you write the grant to?

Ms. Mertz: This is a Bush Foundation grant that we are writing for this grant.

Chairman Pollert: Any questions under the injury prevention division? Is anything under the DOT child safety car seats?

Deanna Askew: Car seat distribution and car seat checks only.

Rep. Nelson: How does this work with the DOT? How does the money flow?

Deanna Askew: We have a contract with the Department of Transportation. They pay a portion of the salary for a person in our division to coordinate the car seat checks.

Rep. Nelson: Is it a 0.5?

Deanna Askew: It's 0.3 for us.

Rep. Nelson: I hope they can't use this money for anything else.

Chairman Pollert: Who purchases the car seats?

Deanna Askew: The car seats are purchased through us and distributed through a number of distribution centers across the state.

Chairman Pollert: You will put on the seminars and car seat checks?

Deanna Askew: You have to be a certified technician to provide the car seat checks and some training with the local law enforcement personal.

Chairman Pollert: Someone from the Department of Health wouldn't do that; it would be the technician?

DeannaAskew: The person at the Department of Health coordinates all of that.

Rep. Nelson: The $30,000 decrease in that line item. Is that due to allotment?

Deanna Askew: I think that's a change over to the grants.

Chairman Pollert: It looks like it would be a loss in federal dollars.

Deanna Askew: We didn't have a loss in federal dollars. There was a $10,000 total increase that you will see in the grants line item.

Rep. Kading: I have a question on poison control centers is that the same number listed for most states for poison control? How does this work for the funding? Is it an optional donation to this group?

Deanna Askew: We contract with the Hennepin County Medical Center to provide those services.

Rep. Kading: Is it based on a number of calls?

Deanna Askew: Yes, there is a charge per call.

Rep. Nelson: The Garrett Lee Smith suicide. Was that shifted over to grants?

Deanna Askew: No, that was a federal grant that we not awarded.

Rep. Nelson: How long has that been?

Ms. Smith: We used to get that grant several years ago and we were no longer eligible. There are a lot more strings attached to that.

Rep. Nelson: That's a significant problem in our state. Do we have other funding sources to continue those programs?

Ms. Smith: After the first time that we didn't get this grant, the Legislature approved general funding and that's when the general funding came to be for suicide prevention.

Rep. Nelson: At what level?

Ms. Smith: About $1.1 million.

Rep. Nelson: That's in the current biennium?

Ms. Smith: We keep applying and had it built into our budget now we pulled it out.

Rep. Meier: Do the reservations receive separate grants out of that $1.1 million spent on suicide prevention?

Allison Traynor: **Suicide Prevention Program Director**; We have a competitive grant process to request a proposal for all the tribes and communities to apply for evidence base programs. Currently Turtle Mountain is receiving a grant for the implementation or continuation of their Sources of Strength program which is an evidence program that prevents risk factors for suicide amongst youth. They are also using that to participate in our statewide coalition for suicide prevention and to do some coalition for building their community to respond to crisis. Currently our dollars have funded training for the Standing Rock area but they haven't specific applied for state funding. Spirit Lake and Standing Rock have a SAMSA grant that they are implementing.

Rep. Meier: With the SAMSA grant, how much grant funding are they receiving?

Ms. Traynor: I could get that for you. It is my priority to work with Spirit Lake.

Chairman Pollert: Would you work through Scott Davis and Indian Affairs or do you work directly with the tribes?

Ms. Traynor: I work with Scott Davis and Brad Hawk Indian Affairs Commission, I also work directly with Turtle Mountain it is always my intend to get more collation members that are tribal members.

Vice Chairman Kreidt: I just wanted to confirm that number. Was it $1.1 million dollars that is the general fund?

Ms. Traynor: We were awarded $830,000 in grants each year.

Chairman Pollert: To whom?

Ms. Traynor: It's a competitive grant that's open to all communities. Every year I release a request for a proposal for grant guidance.

Chairman Pollert: Are you going to talk about this in the grants line item? In the professional services. The amount of money going into suicide prevention training and valuation campaign is at $150,000?

Ms. Smith: Yes

Chairman Pollert: Any questions under nutrition physical activity? PHBG?

Ms. Smith: Preventive Health Block Grant. The funding source that is coming from the PPHF from the ACA.

Rep. Nelson: If this all goes south, what do we do? There is $1 million in those ten lines?

Ms. Smith: Preventive health block grant we've gotten for many years it has been decreasing and has been on the federal chopping block every year. We are always watching that We try to do more one-time activities out of that so if we need to quit those it's a little easier. It was a CDC program but they shifted it over into that preventative funded source.

Chairman Pollert: This is similar to what we are going to do to the CDC stuff where you were on the professional services but now you did it through the grants line item.

Ms. Smith: Not this one, no.

Chairman Pollert: But it's a similar way. Because you use to get the preventative health block grant separately when they funded through the ACA which now we might get eliminated.

Ms. Smith: They switched the source of funds.

Rep. Nelson: What is the PHBG chaplaincy program?

Colleen Pearce: The chaplaincy program is contracts we put out to local entities and specifically provide a contract for someone to come in and do some training for a variety of people in the community that are concerned with mental health issues.

Rep. Nelson: So we get this done for $32,000 a biennium? How is that person covered?

Ms. Pearce: We have a contractor set up. He is the one who has been doing the training for a number of years. We hold the contract with him so we reimburse him to go out and do the training.

Ms. Smith: I did misspeak. There is .3 of FTE funded out of that. The person that writes the grant and provides oversite to all of the different things we have funded contracts one of the few block grants that we have, we have a little more flexibility there and so we have one individual that manages the overall grant and does the reporting to the feds and the application and all of that and the planning for all of these activities.

Chairman Pollert: What is WIC automated appointment reminder calendar?

Ms. Pearce: This is a pilot that we decided to try this past year. Our WIC families are set up with appointments when they come in to see the WIC nutritionist and staff every month or every other month. We contracted with an agency to provide an automated reminder for the families and they are very grateful to get the reminders.

Chairman Pollert: WIC EBT is switching over to the electronic whatever?

Ms. Pearce: It's a combination of things. The WIC EBT implication quality assurance contractor that is a QA contractor that we will bring on as we start this initiative because they will be our content expertise.

Chairman Pollert: So it's an outside party?

Ms. Pearce: With the WIC EBT project management, a lot of that would go to ITD because this is a large project they require that we have one of their project manager ITD staff to help us.

Chairman Pollert: The WIC MIS upgrade.

Ms. Pearce: That they would configure it for EBT.

Chairman Pollert: What is Apgar support? (11:14)

Ms. Pearce: That is for Carol Apgar is a name not a score.

Chairman Pollert: The Bush Foundation hunger summit consultant, the $30,000, is coming from?

Ms. Pearce: This was a grant that we had requested from the Bush Foundation for creating a hunger free North Dakota collation.

Chairman Pollert: The DHDOSH diabetes, is there a drop in federal funds?

Ms. Pearce: There is some reduction in the funds.

Rep. Nelson: The electronic upgrade, MIS system. We just did a massive project in the Department of Human Services. It seems some of this could be incorporated in that program. Do we need this redundancy in every department?

Ms. Pearce: I would say that the WIC computer system, the Legends system, is a very complex system. We do a health assessment with all the families that come in. We determine a health risk with all the families on the WIC program. The software system is designed to collect all of this information and determine the risk in addition to that is also designed to help create referrals to other services that they might be eligible for. The WIC MIS system also looks at what the category is and determines what food package should be received.

Rep. Nelson: So it can't be duplicated in any of the existing systems in DHS?

Ms. Pearce: No, it can't. It's one of the reasons we decided to partner with other state WIC agencies.

Rep. Nelson: We cut services to providers?

Ms. Pearce: That's been one of my lessons learned.

Chairman Pollert: What are the last three on the page? Are there any questions about the children's special health?

Tammy Lelm: Children's Specials Health Services; We have had a family advise counselor for many years to the division. One of the requirements is to make sure that we are engaging families in the work that we do for kids with special health needs. We do convene a group family that have children with special needs three to four times a year to provide input into our division.

Chairman Pollert: Did you increase fee to the advisory board?

Ms. Lelm: It is not new. We've done a $75 dollars' consolation fees since the beginning of the council.

Chairman Pollert: Is it going up a little?

Ms. Lelm: We've kept it flat.

Ms. Smith: That is to help the families with the expenses and things that they might have.

Chairman Pollert: Adjourned the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/14/2017
29133

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Jmanette

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachment1

Chairman Pollert Called the committee to order. We finished up on the grants line item and are ready to start on the grants line item in the community health section. Can you bring up the colorectal grants again?

Arvy Smith: Deputy State Health Officer for the Department of Health: The colorectal grant, the screening diagnostic and related that reduction of $510,000 that was moved into professional services. The next one is the reduction of removing that federal grant that we didn't get. With colorectal, there was a $100,000 decrease and colorectal is not one of those cancer programs that you see funded through the tobacco prevention and control rust fund. (attachment 1 from 03/13/2017 minutes, job 29088).

Rep. Meier: Could you explain comprehensive cancer?

Susan Morman: Director for the Division of Cancer Prevention and Control. Comprehensive cancer is one of our cancer is one of our programs that we received funding from the Center of Disease Control. Our charge is to look at prevention, screening, treatment, and survivorship. We look at ways to do that through system change, policy and working with our state plan and implication of the state plan. The dollars you see in comprehensive cancer for grants is for a competitive process that we release a request for proposal to our cancer collation members.

Chairman Pollert: Women's Way shows an increase of $160,000 but we had a big discussion yesterday on this, how does $160,385 play with everything else?

Ms. Smith: We are applying for and expecting to get additional funding for Women's Way. That is an increase in federal dollars available and this one is in the grants line item verses the professional verses the professional services because that is used for a different purpose. It is a grant federally for qualified help centers.

Rep. Meier: How much funding total goes into Women's Way with the grant funding you're expecting to receive as well?

Chairman Pollert: Before we ask for amendments, could you have a schedule for the total going into Women's Way? I'm also trying to track how much is in suicide and domestic violence also. Is it possible to get a total breakdown?

Ms. Smith: We can get that Do you want to see how much it changed from one biennium to the next? On the surface, for Women's Way, in the budget we have $3.484 million from federal and then $329,500 in the Community Health Trust Fund would be the total for the Women's Way.

Chairman Pollert: Is there any questions in the chronic disease division? What is family planning?

Ms. Smith: We are seeing a little reduction in that area.

Kim Mertz, Director for the Division of Family Health: Family planning is our program that provides reproductive health services to women and men in North Dakota. Last year this program served just over 7,600 women and men and when I say it is a reproductive health services program what the whole point of this program is willing to provide women and men the opportunity to delay pregnancy until they are ready to have a baby and to space Babies between pregnancies. Family planning isn't in North Dakota does not perform abortions, in fact it is to prevent abortions.

Chairman Pollert: The title X federally could go for that, but in ND we are not funding abortions?

Ms. Mertz: That is a correct statement. They can't use that money for abortions.

Chairman Pollert: Nationwide they can't use that money for abortions?

Ms. Mertz: There is miscommunication on that. There are some planned parenthood in the country that do perform abortions they do received money from title 10. They cannot use the pot of Title X money they get for the abortion services.

Chairman Pollert: Is there any funds in the Department of Health that go for abortion?

Ms. Mertz: There are no federal funds or state general funds that go for the use of abortions.

Rep. Meier: With the funding that goes into this program, it goes into the nine centers. Are those located in the larger areas?

Ms. Mertz: They are located in some of the larger areas, but we also have one in Lake Region, Richland County, they are scattered throughout the state.

Rep. Meier: How do you service the smaller communities through these centers?

Ms. Mertz: We do have nine delegate agencies that perform the services and they have satellite clinics so we have 18 sites throughout the state that do family planning services.

Chairman Pollert: Do you do sexual testing and treatment?

Ms. Mertz: That is correct, we do STI testing and we also treat them.

Chairman Pollert: You also do contraceptives as well.

Ms. Mertz: Yes. That is correct. For those under 18 abstinences is always provided as education as being the most effective means for preventing pregnancies. Those are the first two things we talk about with the youth that come in.

Chairman Pollert: Maternal and child health lot grant. Is that what we talked about before?

Ms. Smith: That is the same grant.

Chairman Pollert: In previous sessions, we've had bills on fetal alcohol. There is a drop in $38,000 of all general funds. What is this for?

Ms. Smith: We give a grant to UND for that is doing a research project in some service related to looking at fetal alcohol in babies in North Dakota. They traditionally have not spent all of the $388,000 due to a vacancy position so we did apply the 10% reduction to that grant when we put our budget together.

Chairman Pollert: Are they going to spend the 90%?

Ms. Smith: I would expect them to.

Chairman Pollert: Do we have any questions on DentaQuest? Is Ronald McDonald the mobile dental care?

Ms. Smith: Yes.

Chairman Pollert: Did you put it to the base line similar to the base?

Ms. Smith: This and the donated dental have been in place at those amounts for several biennium's now. We did not take reductions to the general funds there. They are effective and they're being used.

Chairman Pollert: Are they going to the schools as well or are they going to the underserved areas?

Ms. Mertz: Donated dental services is a program that North Dakota participates in. We contract with a Dental Lifelong Network which is out of Colorado and 45 states participate in this donated dental service program. Colorado manages ND's program and many other states. They find volunteer dentists and volunteer laboratories that will help cleaning for the people that cannot afford dental care. Every biennium about 50-60 clients are served with the donated dental service program. There are 137 dentists in North Dakota that volunteer their service to see these people that have severe oral health needs. Almost 800 patients have been served since1998 for $2.7 million dollars in donated care by dentists and laborites just in North Dakota.

Rep. Meier: Do you know how many individuals you served in the last year or last 2 years.

Ms. Mertz: Every 6 months the Dental Lifelong Network gives us a progress report. The last report that was submitted in January and that was for July 1, 2016 through December 31, 2016 they already served 52 in that period of time.

Rep. Meier: With the caseload, how do you determine who is served first?

Ms. Mertz: That's what our contractor in Denver does; they look at the application, the need, the financial situation, and then prioritize them.

Ms. Keiser: (attachment 1). This gives you an idea of what was accomplished for the last couple of years. We are in our 5th year of service we are booked out through 2018 and could easily use a couple of trucks in our state. Last year we treated 1,056 students and our goal was to treat 1,000 so we exceeded our goal. You asked about how we identify these kids. Schools are our best options to identify the kids that are in need of oral health care. In the summer we go to summer reading programs, and the Prairie Learning Center and find students there also. The need is so great in Bellcourt. Over the last biennium, we provided almost $1 million to children who would not have gotten treatment otherwise.

Rep. Holman: How many dentists do you have involved in this program?

Ms. Keiser: We have a full time dentist on staff who has an assistant and we have a dental hygienist and then we have 2 retired gentlemen that are intake coordinators. We also have 2 two local dentists that donate at least a week of their time to us. That is a$4,000 value to us. The plan is to be out for 40 weeks a year. About half the time, the staff is away from home. Regarding the HRSA grant and the sealant program, we treated an additional 471 children in that program last year. We're desperately looking to find additional funds to fund that program on our own.

Chairman Pollert: For example, under communities served Bismarck for 9 weeks Fort Yates 9 weeks does that mean you were out there for that number of days or weeks is that what is means?

Ms. Keiser: We go to a week at a time so those are the sites that we visit for a week at a time.

Chairman Pollert: Did you say the HRSA grant for this piece will disappear after 2018?

Ms. Keiser: I believe it runs through August of this year and that is our 3rd year.

Chairman Pollert: Is it just this part of the HRSA grant or all of the grant?

Ms. Smith: The CDC is a couple down, the oral health workforce.

Chairman Pollert: What is the oral health?

Ms. Smith: The Oral Health Mobilization is the grant that we did not get. The one below that is the HRSA grant.

Chairman Pollert: The Oral Health Workforce Activities is that related so you have that grant?

Rep. Meier: With the HRSA grant, when will you be able to reapply for that?

Ms. Mertz: We are in our 3rd year so that grant ends August 31. We've been told that there won't be an opportunity to apply for that grant this year so we know that we'll lose one year of that. We do not want to lose the opportunity to apply for that grant. We hope for another opportunity in 2018. We're are getting ready to apply for an Otto Bremor grant it is a Foundation grant, it sounds hopeful that we will be funded.

Chairman Pollert: What is the difference between that and the oral health workforce activities?

Ms. Mertz: That is the HRSA grant. In addition to the four hygienists going out to the schools, we provide the care for the sealing program.

Chairman Pollert: What's the difference between abstinence here and the family planning?

Ms. Mertz: The abstinence is a separate grant that we received from HRSA we do between $80,00 to $100,00 dollars. The purpose of that grant is to work with the youth about the benefits of abstinence an other risk factors.

Vice Chairman Kreidt: With this program, what age of students that you work with?

Ms. Mertz: We target the junior and senior high students with this grant.

Chairman Pollert: Is the oral health a new program or was it shifted from somewhere else?

Ms. Mertz: The oral disease prevention is our CDC grant. That's the one we moved from professional services to the grant line item. That is to do our evaluation of all the oral health programs in total.

Chairman Pollert: What is the pregnancy risk assessment monitoring system?

Ms. Mertz: This data provides PRIMS the last time we had any data on the pregnant woman population in North Dakota was in 2002. What this data does is surveys women who have had a birth and their baby is 2-6 months old. It asks the women about her pregnancy like the risk factor, oral health, to nutrition, prenatal care, breastfeeding questions. This grant will give us data on the pregnant woman population and help us to target that population.

Chairman Pollert: Telehealth network set-up.

Ms. Mertz: That's the new grant we'll be applying for. This amount is high; this was for a grant that we did not receive. We are applying for a new Telehealth grant that was set up in the Minot area. If we don't get that grant we will apply for another one.

Chairman Pollert: Are the next six all related to domestic violence related?

Ms. Smith: Yes.

Chairman Pollert: If I ask for the $340,000 special funds where is that?

Ms. Smith: It's form the marriage license fees. It's a small amount, maybe $2, per each marriage license that goes into this fund for domestic violence that has been for a long time.

Chairman Pollert: What are the differences between those six?(41:21)

Deanna Askew, Division Director for injury Prevention: The domestic violence is provided for to the 20 Domestic Violence and Sexual Health Agencies in North Dakota. They provide a variety of services; pay for the crisis line, advocacy assistance, emergency shelter. Many of the items do cross over many and some of them have different target audiences The family violence can pay for domestic violence but it cannot pay for sexual for sexual assault.

Chairman Pollert: Did you say there are 20 centers?

Ms. Askew: There are 17 not nontribal and 3 tribal agencies.

Chairman Pollert: Who are they?

Ms. Askew: In Bismarck, it's the Abused Adult Resource Center. They are non-profit agencies.

Chairman Pollert: How long has that $1.9 been in there?

Ms. Askew: I believe there was an increase. The sexual violence protection education is a grant from CDC and that is very specially not for victim's services but for prevention. We contract with an agency in Fargo and in Grand Forks to do primary prevention activities. They go into the schools and work with some curriculum like healthy relationships. There are also sexual assault services is specifically for services related to the things of sexual

assault. The STOP violence is a federal grant. This goes more into the criminal justice system. Part of that will be used for victim services, some of them we do contract with states attorney's offices. We do fund some SANE programs. Safe Havens is our supervised visitor's human exchange.

Chairman Pollert: where are those located?

Ms. Askew: There are eight centers across the state.

Rep. Holman: Is there any coordination between what you do and what they do?

Ms. Askew: We all manage funds that go towards domestic violence and sexual assault.

Chairman Pollert: Are the Safe Havens around the areas where you tend to have more domestic violence?

Ms. Askew: I can get a list for you. They are fairly spread throughout the state.

Chairman Pollert: Are the locations like human service centers?

Ms. Askew: No, they are often in domestic violence agencies.

Chairman Pollert: What I mean is the bigger cities?

Ms. Askew: They're not totally aligned with that, but they are close. That provides supervised visitation and exchange for families to have a place.

Chairman Pollert: Sexual law services Is that the one dealing with law enforcement?

Ms. Askew: No, that is STOP.

Chairman Pollert: The sexual assault services is what?

Ms. Askew: That is specific to sexual assault that is completive fund grant. to provide services specifically to victims of sexual assault.

Rep. Meier: Are the Safe Havens usually located within a center? (48:18)

Ms. Askew: They are quite often located within a center.

Chairman Pollert: A little discussion on suicide. I show suicide in professional services for $150,000 and here there is $830,000 in general funds?

Ms. Smith: Yes, the Garrett Lee Smith is the grant that we did not get funded and removed

Chairman Pollert: What did we increase that $160,000 last biennium?

Ms. Smith: We'll show you that when we have that schedule.

Brenda Weisz: It hasn't increased from the 2015-17 biennium.

Chairman Pollert: Any questions on the Teen Drivers Program, Nutrition and Activity Division, Diabetes grants through health systems?

Ms. Smith: What is happening there with the increase is an increase in the grant available which is about $116,000. $155,000 that we changed work we wanted to do in there. This is one that had been budgeted last time in professional services and is now in grants. In addition, some of this was in the temporary salaries line item. We were going to hire temporaries to do some work, instead we decided to grant that out.

Chairman Pollert: How does this differ from stroke and cardiac care items that is in the tobacco prevention and control of the $480,000?

Ms. Smith: Next we have Emergency Preparedness and response that is where we will talk about the stroke program.

Rep. Holman: You cut temp salaries by $421,000 Is that related to what you just said?

Ms. Smith: The change from temporary salaries to the grants line item was about $165,000

Rep. Nelson: It looks like you've only spent $ 176,000 in temp salaries. It looks like you're already implementing this, but I don't think you are.

Ms. Smith: That could have something to do with timing. There are many other things happening in our temporary salaries line item. $108,000 was in there for oral health mobilization. That is not happening. In temporary salaries, there is a reduction of $420,000 bringing us down to $334,000 and we are spending as of November $176,000.

Rep. Nelson: The offset you're talking about in DDOSH how much temporary salary total are you transferring from temporary salary to grants?

Ms. Smith: $165,000.

Rep. Nelson: So almost all of the spending to date in temporary salaries has been spent in that area?

Ms. Smith: No. There is a huge reduction which is $420,000, $225,000 of that is the 3 federal grants we didn't get so we are not spending it at that level.

Brenda Weisz: Director of Accounting for the Department of Health: In temporary, that was the budgeted amount. They haven't had a temporary in that position this year the only expenses reflected here is the time they actually had a temporary.

Chairman Pollert: Out of this $541,000, did you say that temporary salaries are being funded out of that grant?

Ms. Weisz: I think Arvy was trying to explain the increase from one year to the next.

Chairman Pollert: Could you explain that again?

Rep. Nelson: I'm just trying to follow the money. Arvy said there was $165,000 in temporary salaries that was transferred in the new budget to new grants. When I look at where we are at today and we spend $176,000 total in temporary salaries so that should be reflected in what has been spend up to date because you are using temporary salaries.

Ms. Weisz: It's looking a budget to budget, but you are looking at an actual spend column which isn't reflective at the budget amount. We didn't spend the whole $165,000

Rep. Nelson: Are we transferring lines that we don't spend? that should be reflected in what has been spent

Ms. Weisz: It's looking at a budget to budget. You're looking at a We didn't spend the whole $165,000. The whole amount of the budget part that is moving with the actual expenditure $165,000 we didn't have a temporary in place.

Rep. Nelson: What are we transferring lines that we don't spend?

Ms. Weisz: We're moving the budget. You have to align the budget to where the expenses are going to be.

Chairman Pollert: Out of the $390,000 increase and you said there was $165,000 in temporary salaries and $155,000 in new grants that are going so that would leave us with about $60,000 somewhere else?

Ms. Smith: So the new revenue is $116,000 that is a part of the $390,000 to DDOSH.

Rep. Nelson: Do you mean new dollars coming in, where is that?

Ms. Smith: New in the federal grants

Chairman Pollert: So it is not temporary salaries.

Ms. Smith: An increase in the federal grant. $155,000 is because we quit doing some things in professional services and are doing them in grants. $165,000 we had budgeted in temporary salaries. A very small amount of that was spent like $10,000.

Chairman Pollert: Do you have any turn back coming?

Ms. Smith: Yes. $400,000 we were anticipating.

Chairman Pollert: Children's Special Health. How do catastrophic relief funds relate to Children's Special Health?

Ms. Smith: About 20 years ago we started the Russell Silver Syndrome and that was in the Children's Special Health Services. There was one family that was impacted and so the legislature established that as Russell Silver Syndrome. A couple biennia ago, we weren't using it for that disease but there were other needs for very special low instance diseases that occurred so we wanted to neutralize that.

Rep. Meier: With the Russell Silver Syndrome, is there any money going towards that?

Tammy Lelm: Director for the Children's Special Health Services; We currently have four children enrolled for the life of the program; two of which we are actually paying claims. We're paying growth hormone treatment which is very expensive medical injection to help stimulate growth. We are paying for some formula and some out of state travel to get expert consolation to manage the condition.

Rep. Meier: Is that funding coming out of this amount?

Tammy Lelm: It is coming out of this amount.

Rep. Meier: How much of that comes out?

Tammy Lelm: I think we've paid out around $7,000.

Chairman Pollert: The last one, $436,000 general funds. What are we doing with this?

Ms. Smith: Before we leave catastrophic relieve funds, HB1187 on PKU and Maple Syrup Urine Disease, the 1187 increase the availability for food products for males up to age 26 originally. Originally it moved it up to a higher age and the physical note on that was two hundred and some thousand. It was then amended down to cover males to age 26. We had a physical note of $31,200.00 on that. That bill was passed in the Senate yesterday. Now we are stuck with $31,000 that is not in this budget anywhere.

Chairman Pollert: Could it be said that if there is a disaster breakout, you could go to the emergency commission to get those dollars?

Ms. Smith: Those are typically general fund activities. The emergency commission typically has a small amount of general funds. The other option is to come in with a deficiency request which we did once for a disease.

Chairman Pollert: The last one on the page, what is that dealing with?

Ms. Smith: Tammy will explain that.

Tammy Lelm: It's MCH block grant federal funding with state match, but we do use a With that part of this program pay medical claims. we have children with special health care needs that meet eligibility criteria and then we pay claims that are related to their needs.

Chairman Pollert: Is it based on income eligibility case?

Tammy Lelm: It is income based and is set at 185% of the federal poverty level. We also have the medical eligibility criteria in addition to that.

Rep. Nelson: These are people who slip through the cracks of ACA. As children are they CHIP eligible? What causes the need?

Tammy Lelm: We are gap-filling for private insurance children. 93% of the children we serve are do have private health insurance. We do the gap-filling with the co-pays deductibles etc.,

Rep. Nelson: Going back to catastrophic spend that $75,000 down every biennium?

Tammy Lelm: For the Russell Silver, we do not. It is about $10,000 every biennium.

Ms. Smith: The last biennium, we used it for the Hepatitis C outbreak in Minot and spend it down then. The one before was a big TB outbreak.

Rep. Nelson: So it's always been spent down at the end of the day?

Ms. Smith: Since we converted it to boarder than the Russell Silver Syndrome.

Rep. Nelson: If you didn't spend it down, would it be subject to roll-up? or can you hold that in the account and build on it?

Ms. Smith: This is an item like any other budget item as opposed to being an special line item. If it were a special line item, we would not be able to use it for other purposes. But this is a part of the rollup in the budgeted items that we have.

Chairman Pollert: So you don't have the authorization to transfer if there were unallocated funds?

Ms. Smith: So it could be turned back. We could move it between sections, but we couldn't move it out of the grants line item.

Rep. Nelson: They would be able to expend and carry over those funds and we might not have seen anything yet from the catastrophic standpoint. $75,000 doesn't go very far. If there is a biennium in where they don't need it, we can think about it.

Tammy Lelm: Would you like me to go over the other 2 areas that are funded to the graphs? Another area grouped under this graph line is the multi-disciplinary clinics. Some of those clinics we directly administer through division staff in partnership with some of the providers across the state.

Chairman Pollert: On the next page, these the numbers that you are getting the dollars from?

Ms. Smith: On the summary of federal funds. If you look at the total of federal funds that ties you to the front sheet at the bottom of the 1719 executive budget and the current the

total of federal funds, there ties to the federal fund line item there. The same with the special funding.

Chairman Pollert: What is meant by falls from older adults? (119:39)

Ms. Smith: We get a grant from human services.

Ms. Askew: We have a contract with DHS. The federal money goes to the Department of Human Services. They contract with us.

Chairman Pollert: What is safe routes to schools?

Ms. Askew: We have a contract with the Department of Transportation. That grant works on programs for bike safety and bike helmets for children.

Rep. Meier: In the area for school health for $77,873,000 item for 2015-17 What was it?

Krista Fremming, Division of Chronic Disease Director; That was a change in the way that the CDC put a grant together. You'll see the sixth line down, they grouped all of those categorical programs together.

Chairman Pollert: Looking at the bottom three lines on the federal fund and then I read your asterisks these are in the tobacco and control prevention line items how would I trace those through? Are they there?

Ms. Smith: If you go to the front sheet, the tobacco and you see your tobacco prevention control special line below the grants above the WIC the executive budget is 686 that would be the CDC tobacco, the QuitLine the medicate match, and then go down to special funds and the 3.2 million and the $500,000 those five items should add up to the $ 5,686,881,000

Rep. Nelson: What is the source of the special funds, starting with colorectal cancer and moving down?

Ms. Smith: Colorectal cancer is from the tobacco prevention control fund. Cancer registry is also the same thing.

Rep. Nelson: What was that? It used to be general funds. How is it funded now?

Ms. Smith: All of the changes that are made to the salary package which would be the 5% health insurance, the 1% pay increase, and the compensation rather than spread all those out, we just put an allocation there. If we were to do them and get rid of those and reflect we would be redoing the entire budget.

Rep. Nelson: So we don't have a special fund revenue stream to fund them?

Ms. Smith: It's going to come from all the other special funds that are listed.

Rep. Nelson: Where is the DentaQuest special fund?

Ms. Smith: Are you looking at the $27,000 equity increase?

Rep. Nelson: Are they all going to be allocated the same way?

Ms. Smith: The equity one is separate.

Ms. Weisz: The $27,000 provided equity increases to a set number of employees. The Department of Health was one of the agencies that received those increases. That money was previously funded with general funds.

Chairman Pollert: Where is DentaQuest out of?

Ms. Smith: It's a foundation rather than a grant so it's down in the special funds.

Chairman Pollert: Could it be said that because you have the reduction in federal dollars from colorectal cancer you took out $519,207,000out of tobacco control or is that statement wrong?

Ms. Smith: That wouldn't be correct. We have applied for the colorectal cancer federal grant and haven't been awarded it. A couple biennia ago, the state started a colorectal cancer program with general funding, so we continued the general funding in our request. To balance the budget, the recommendation by the government was to it in the tobacco fund.

Chairman Pollert: Closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/14/2017
#29160

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachment #1-2.

Chairman Pollert called the committee to order on SB 2004.

Arvy Smith, **Deputy State Health Officer for the Department of Health,** provided and explained a handout (See attachment #1). 1:51

Chairman Pollert: Can you go over the temporary and overtime?

Ms. Smith: It is budgeted at $900,000.

Chairman Pollert: Can we get a breakdown on that? Do you have a lot of temporary salaries that will be going between Dec. 2016 and the end of the biennium? I know we did $900,000 in 15-17 that just looks high as to where you are spending at as of today.

Ms. Smith: As far as the spending, $185,000 is budgeted in there for stroke prevention that is not happening. There was a position vacant for a while that is now filled. We did not hire a temporary IT support specialist that we were planning on.

Chairman Pollert: You talk about $185,000 of the stroke prevention that's not happening. I would think that means there must be less, but it's only a $9,600 reduction in your budgeted amount.

Ms. Smith: While they aren't happening in the current biennium, we weren't able to make reduction there because we do plan on them happening in the upcoming biennium. Part of it was due to a vacancy, and we do need to fill it. Stroke prevention, we did pull some from the allotment from that, or was it from grants? Oh, this was a federal grant that we didn't receive, so therefore we did not spend at that level. For off-setting increases, as to why we are still at $900,000, there are a few of them. Some are in the hospital preparedness program where we're needing to do a little more in temporary salaries. Some of it is overtime in the Public Health Emergency funding. We do also have in here pager. We pay an amount for individuals to carry a pager, so we are available 24/7.

Chairman Pollert: What do you mean by that? How would that affect temporary salaries?

Ms. Smith: If we have a regular employee that carries a pager off regular hours, we do provide some compensation because they have to be ready to respond.

Chairman Pollert: Has that always been in the budget?

Ms. Smith: In the very first days we didn't, but as things grew, and we saw the need, it has been for several biennia. The increases are a little here and there. There is not a big increase in temporary in any particular area.

Rep. Nelson: What happened between 2013-15 and 2015-17 because your temporary staff projections almost doubled? It looks like you are tracking closer to 13-15 than you are the new budget.

Ms. Smith: That is mainly due to increases in CDL licensed drivers for various activities in emergency preparedness. Warehouse workers have increased as we manage the amount of inventory in that area. The grant's manager time has doubled. The community paramedic position is in there, and that was added in the 2013 session.

Rep. Nelson: That was in temporary?

Ms. Smith: Yes, there wasn't an FTE, so that is in a temporary slot.

Chairman Pollert: Can you give us a schedule on all the positions that are vacant?

Ms. Smith: Yes, we have supporting schedules for temporary overtime that we can provide.

Chairman Pollert: In operating expense, under food and clothing, what was the purchase?

Tim Wiedrich, Emergency Preparedness & Response Section Chief; Education Technology Division Director: We were part of the DAPL response and provided the food services. There were substantial expenses with that.

Rep. Nelson: Do you have all your DAPL expenditures identified? If there is a possibility of federal repayment, do you go through the Adjutant General's office for those expenditures?

Mr. Wiedrich: Yes, we are part of the Adjutant General's Emergency system. Those dollars are not all identified; we are working on that. That will all be tallied and submitted as being requested.

Rep. Nelson: Where are you with your shop as far as a total?

Mr. Wiedrich: We served over 50,000 meals. Dollar wise, I will defer to Brenda.

Brenda Weisz, Accounting Division Director: Through February we have recorded $1.8 million of expenditures, and that doesn't take into account expenses since the end of February.

Vice Chairman Kreidt: With the $45,000 increase in that budget, did you take money out of somewhere else to cover that?

Ms. Weisz: We went through the emergency commission and receive authority through the end of December. We are currently working with The Office of Management and Budget for those expenditures. Our initial emergency commission was $1.9 million.

Vice Chairman Kreidt: Once you have the total, will you approach the Feds to see what you can recoup?

Mr. Wiedrich: That is correct. It will be part of the total package.

Chairman Pollert: You were there supplying meals, but did you also have some emergency equipment there?

Mr. Wiedrich: Since October, we have been in 24/7 response mode. There were two major parts to that mission. One was provision of food services. Secondarily, we had a mobile medical unit there for emergency department care. We had mobile tents there in case the hospitals are full. We had substantial ambulance services there too. At our peak we had 32 people per shift, 6 kitchen staff and the rest medical staff.

Chairman Pollert: I know a paramedic that was out there. Is it your division that he was paid through, or as a temporary position?

Mr. Wiedrich: That is why it is complex. We have a process in place where we can make people temporary state employees that are part of the response, and that can be compensated. Technically they are state employees.

Chairman Pollert: So, they would not hit the temporary salary line item, they would have been put in where?

Ms. Smith: In operating fees and services, where we way overspent our budget.

Chairman Pollert: It would never show as a temporary salary?

Mr. Wiedrich: Right. The temporaries are the ongoing that are within our section. The CDL drivers are only used for the specific exercises and actual responses that we do, so they are in a slightly different category than the paramedics that we were just talking about.

Rep. Kading: Looking at operating expenses, it looks like $3 million out of professional services were cut. Are those services actually provided to people?

Ms. Smith: A lot of the reduction there was related to Ebola particularly in the medical, dental and optical.

Rep. Kading: You cut a number of services and a number of grants, but some of the administrative didn't seem to go down by very much. Miscellaneous supplies and looking back to 2013-15, it is a 258% growth since then. If the services are being cut, there would be less overhead expenses such as that.

Ms. Smith: The medical, dental, optical is the Ebola grant, and that wouldn't impact our normal miscellaneous supplies.

Rep. Kading: What is driving that increase in miscellaneous supplies?

Ms. Smith: Tables and stacking chairs to set up a training room. Some pediatric emergency medical services equipment. We have a federal grant for emergency medical services for children specifically. There are certain supplies that are only for children. It's a fluctuation of those expenses. It really doesn't have anything to do with the Ebola grant that was eliminated. In Professional Services the major item you will see is the stroke prevention grant we applied for and didn't receive. Those reductions have nothing to do with ongoing. They were really specific one-time items, and they don't have anything to do with ongoing expenses.

Rep. Kading: Were they new programs or purchases of certain equipment?

Ms. Smith: The Stroke Prevention Grant would have been a new area, and we didn't get that, so it is removed. The Helmsley funding for the Lucas devices, you will see that coming and going. That is for very specific programs. We are pursuing another one, included in the budget under IT Contractual, and they are very specific projects.

Rep. Kading: Why has printing doubled since 2013?

Ms. Smith: We could get that detail but printing is across many different programs?

Rep. Kading: Why is there an increase in lease and rentals?

Ms. Smith: We have a schedule for that (See attachment #2). In general, we have moved our shop. Emergency preparedness is down on the south side of town in its own building. EMS (Emergency Medical Services) was at the capitol and did not pay rent, but then we moved them down to co-locate them with the rest of the section, and there they do pay rent.

Chairman Pollert: I thought we paid rent to the capitol?

Ms. Smith: Only if it's a federal or special funded items. If it is a general funded activity, we don't pay rent because we would just be getting it appropriated to pay it to them. The other change in there is the medical cache assets that we have to respond to emergencies. It is $14 or $15 million now. Those assets are stored in various places around town. We have an opportunity to secure new space near the EPR location, so we are locating those supplies there.

Chairman Pollert: Could you be talking about the vans and the equipment? Or is it for pills for an outbreak? Is this form the whole department or only emergency preparedness?

Ms. Smith: This rent schedule is just emergency preparedness and response. It ties to that increase there. Office rent went up some. The warehouse rent went up by $155,000, and that is to co-locate, and it is a little bit bigger. I can have Tim talk about what we are storing and how that all works.

Chairman Pollert: In warehouse rent, that is a 30% increase over the biennium. Does the lease say it can go up 15% per year, or are you leasing more space somewhere else?

Ms. Smith: We were storing things in several properties in town, and we co-located them in one space near the Emergency and Preparedness and Response building, so it is more accessible. It did end up costing more money. It is a little larger and allows us to put some vehicles in there that we didn't have space for.

Mr. Wiedrich: In terms of what is being stored, it is a wide variety of things. There is a pharmaceutical area for the storage for the $2 million dollars that was appropriated for the antiviral that was purchased. There are disposable medical supplies and equipment. There are durable pieces of medical equipment like ventilators, defibrillators and other components. There are vehicles as well, from a $1.5-million-dollar mobile medical unit to command trucks and so forth. In terms of the facility itself, our ability to co-locate everything in one warehouse area is very time saving. It is across the street from our existing facilities.

Chairman Pollert: How much is the inflator cost for this contract? Does your contract have an inflator clause? Is it 20 0r 30%?

Mr. Wiedrich: To be clear we are abandoning our existing leases, and this is a new landlord. It is not a conversion from one lease to the other.

Chairman Pollert: I understand. So, you should have a decrease from your old lease spaces. But you're having an increase of 20% on the detail, and according to the warehouse rent it is 29%. The net is a 20-29% increase, that is what we are trying to find out?

Mr. Wiedrich: Part of the issue, as well, is that in the existence of the lease spaces we currently had, we had no room for additional growth. We were leasing additional properties at whatever rates we were able to negotiate. Creating more inefficiencies into these systems as we were spreading things out across multiple properties. With the new property, we're going to have multiple years of growth. The Ebola grant provided an additional $1 million of personal protection that we can't buy on the market when the emergency is occurring. We

believe we will see sustained growth. We need to be in a position to accommodate that growth.

Chairman Pollert: Would it be a correct statement that you have increased new equipment and have better facilities, but in the biennium of 2019-21 could your space rent only increase by 3-5% which would be on a more normal rental basis contract. The reason it's 20% or 29% now is because you went to this bigger facility with your equipment.

Mr. Wiedrich: That's correct. If we look over a period of multiple biennia, there hasn't been a substantial increase over our existing lease and the new one.

Chairman Pollert: We're just trying to figure out why you have a 20-29% increase. Is this just a one-time increase because it is the new facility, and now we will just see inflators?

Mr. Wiedrich: That is true. This is a one-time adjustment because we're moving to a new facility.

Rep. Kading: I would like to see the schedule on the lease and the buildings. Like how much is the rate per square foot.

Chairman Pollert: How much is the rate per square foot?

Mr. Wiedrich: My recollection is that we're at $6.90 per square foot currently. We moved to $8.50 per square foot for a two-year period, and it will drop down to $7.50 in subsequent years. We basically get a buy-down for the lease on the front end. For the office building, it's approximately $11.50 per square foot. That is inclusive of the utilities and some of the janitorial services. It also includes an existing generator system.

Chairman Pollert: The rental seems fair; it must just be a lot more square footage. How much square footage is there?

Mr. Wiedrich: There is approximately 42,000 square feet of warehouse space and a little shy of 20,000 square feet of office space.

Rep. Kading: What was the number before you moved into the new facility?

Mr. Wiedrich: It is a very efficient space for us. It includes hallways, offices and etc. We are actually reducing the total number of square footage we are leasing, but substantially increasing our storage capacity, which is what we really need.

Rep. Kading: If we're increasing $150,000 to consolidate our space, how are we saving that money?

Mr. Wiedrich: Because we're full with our existing system. We believe we will see an increase. The way we are doing it now it's a very inefficient way to operate.

Rep. Meier: What do you have in place for security?

Mr. Wiedrich: I would prefer not to go into great detail. We have consultation because of the role that plays at the national level for part of the response system. This is almost all federally funded. We receive security advice from the U.S. Marshall service, and we are adhering to that advice. I can generally describe it as access restriction into the facility, and various surveillances in terms of cameras.

Rep. Meier: Is there an FTE there at all times?

Mr. Wiedrich: There isn't. There is ongoing surveillance.

Rep. Meier: What is the cost of the security?

Mr. Wiedrich: For the electronic surveillance equipment, the card access systems and conduit for the cameras is just included in the lease. Our ability to install the cameras will come in at $5,000-6,000.

Rep. Meier: Is that all federal funds?

Mr. Wiedrich: The vast majority is federal funds.

Chairman Pollert: Are you carrying a pager 24/7?

Mr. Wiedrich: Yes, but I'm not receiving additional compensation. For those individuals that are from various divisions that are not part of that response mechanism, there are two levels of compensation. One is for an individual division, and that is $10 a day. For someone who has the command response requirement, that is $15 a day. They are expected to remain in the Bismarck/Mandan area within rapid access availability. 47:38

Chairman Pollert: Are the IT contractual services the registry for anyone involved in EMS?

Ms. Smith: The two we have are the trauma maintenance, clinical data managemen, and EMS personnel and service registry.

Mr. Wiedrich: The trauma registry is a collection of data that is gathered by the hospitals and consolidated into a trauma registry, so we can do the quality improvement mechanism. The registration is the individual personnel and the licenses they hold. The ambulance service, or the quick response unit, or air ambulance service is information about the organization.

Rep. John Nelson: The utilities line item looks like we only spent half of what the 2015-17 appropriation was. Now you are asking for an increase. It looks like it should be a decrease. When I look at these line items, I'm looking this year between 13/15 and 15/17 at an increase, and then the expended to date areas. There wasn't much of an increase, but we're not tracking the 70% of the biennium out. Only about half of the money has been spent. In the new storage area, is there an increased utility requirement there? Why did we keep funding that at this level?

Mr. Wiedrich: I don't anticipate that we will have an increase in the new warehouse. It will probably be a decrease in terms of the overall utilities. Because of the location of the warehouse and its proximity to our offices, we will be able to run a fiber between the two. We'll be able to save about $1,000 per month in terms of the communications equipment. I am not coming up with a good explanation for the adjustment.

Rep. Kading: Professional development had a 140% increase since the 2013 biennium and the same number of employees. Are there additional training requirements, or what is the increase in demand for professional development?

Ms. Smith: That could be related to temporary employee training. Tuition assistance for certain staff for training.

Rep. Kading: Is the tuition assistance a new program?

Ms. Smith: That would vary depending on the activity and the staff that are on board. The Department does have policy department wide for tuition assistance, if we want or need someone to have additional training.

Chairman Pollert: Are the operating fees and services related to DAPL?

Ms. Smith: Yes, the November to date expenses are quite a bit above current budget. What is included in there are some purchase of service agreements and use of local public health or ambulance providers for various activities. Because of increased federal grants and such, we do have increased activity if you are looking at the 2013/15 as compared to where we are going in 17/19.

Chairman Pollert: On professional services, there is a reduction in the stroke. On the professional services, like the stroke system of care training, and the cardiac system of care, there are reductions on those. Is that because of the allotment, or is that in the executive budget, or special funds? Where would those show up at?

Ms. Smtih: The stroke prevention and UND stroke registry are related to a federal grant that we did not get, $1.4 million.

Chairman Pollert: Is the stroke registry just not happening? Or did it go somewhere else?

Ms. Smith: There is some general fund money for stroke prevention. The $1.3 million for stroke prevention was the federal grant. The next three items: $124,000 stroke reduction, $87,000, and the $50,000, those are reductions in general fund that we took for the allotment in the current biennium. Then we continued those for the 90% moving forward. Then the funding source for those got switched to the tobacco prevention and control trust fund. That would be $756,418 on the Tobacco Prevention Control Fund sheet.

Rep. Nelson: We pretty well gutted the stroke funding from the professional services standpoint. There's less than $300,000. How does the registry go forward? We've invested in the last several biennia in the stroke registry; how does the work continue without any funding?

Ms. Smith: That funding is coming from the Tobacco Prevention Trust Fund. ($756,000)

Rep. Nelson: How about stroke prevention?

Ms. Smith: That is within the $756,000. It's for stroke and cardiac care programs.

Rep. Nelson: How about the bottom three? Does the Helmsley Foundation continue anywhere else, or does it just go away?

Ms. Smith: That goes away. We purchased the Lucas devices and distributed them appropriately. We also had training related to those; it was a one-time project.

Chairman Pollert: What is medical direction?

Ms. Smith: That is related to the EMS area. The Legislature authorized that effort a couple of biennia ago. We do that through a contract. They provide guidance to ambulance out in the hospitals. That's a contract with two different individuals to provide that, one in the east and one in the west.

Mr. Wiedrich: There are a number of areas where we need physician medical advice. The Promise System, for example, needs medical advice for the formation of what the standards are for Promise Systems.

Chairman Pollert: Anybody in an ambulance is probably getting their necessary treatment from their local hospital, right? So, these two people are more of an advisory?

Mr. Wiedrich: It depends. In DAPL, for example, or in any emergency, when we're there providing the medical staff as part of the State Health Department and the Emergency Management System, we are actually providing the medical direction. Response is one level. Creating the systems that we have, so we make recommendations to other medical directors about what those protocols should look like. Dr. Sather is instrumental in providing that level of advice as well.

Chairman Pollert: The trauma registry is general funds. The site visits, stroke, and trauma ... Who would like to go through that? The advanced life support training? I suspect that these are all things that we have funded in the past and are all a general fund obligation. If there is one thing that we haven't said much about in the Health Department, which we said almost every day in the Department of Human Services, is that we have a revenue problem. We have a general fund problem. That means that general funds will be looked at. You have some small reductions in a couple of the items. They aren't the 10%. How did you come up with those numbers?

Ms. Smith: We looked at several of those, and since they were newer and general funded, we took cuts to those areas. It had to do with the fact that they were relatively new, and the start-up has been slow. We are not spending at that level. We took some higher cuts there for allotment purposes and continued some of that moving forward.

Chairman Pollert: But in site visits, stroke and trauma there is a $123,000 increase. Can someone talk about that?

Mr. Wiedrich: We anticipate doing additional site visits now that there is a cardiac ready and stroke system of care within the state. That is why that has gone up because of the actual number of site visits that will begin to occur as a result of establishing standards for those programs.

Chairman Pollert: With the stroke and trauma is this just a progression, and something that has the ball rolling because of Legislation that we passed, and that is why the $112,000 is there?

Mr. Wiedrich: That is true on both counts. Trauma is an older system and is established, so that is stable. Adding the cardiac systems of care and stroke will necessitate visits to the facilities to make sure that the standards that have been developed are actually being adhered to.

Rep. Nelson: I'm trying to understand how you put your budget together. Much of the cardiac care stuff is funded out of the Tobacco Prevention and Control Fund. Here the site visits are a general fund. Why is there a mix of funding sources?

Mr. Wiedrich: In terms of conversion over to the tobacco funds, that was basically a set process. Then we had to deal with the general fund for the rest of the expenditures that were necessary in order to maintain that level of activity.

Rep. Nelson: When you looked at the tobacco prevention and control fund, there was a number arrived at that we could extract from that, and then we tried to make up the rest from general funds? What was the methodology?

Ms. Smith: In total now, all of those programs are under tobacco prevention and control, in 700-56-418. In total there is a reduction, so you see the $112,000 increase, but there were off-setting reductions in other places. We could get you a schedule showing in total what that looks like. You will see that we have already taken some significant cuts in those areas.

Rep. Nelson: Why didn't you fund the site visits out of tobacco control and prevention fund, then?

Ms. Smith: That happened in the Governor's recommendation.

Lori Laschkewitsch, OMB: What we did in the executive recommendation was switched some of the general funds with tobacco prevention funds. If the tobacco agency were to go away, we looked at if the fund would still be there with available funding in it. We were looking for programs that we though tobacco had an effect on. So, some of the funding switches that you see in both Human Services and the Health Department are those that tobacco has an effect on: Medicaid, cancer, cardiac ... That is how that funding got switched in their budget.

Rep. Nelson: The problem is that it's a depleting source of revenue, and I don't think that cancer and stroke are. Looking forward, we have one more biennium, and then the money runs out.

Chairman Pollert: There are going to be decisions that will need to be made in two years and in four years. We are going to get ourselves into a box, but we would have been in a box, even with SB 2024 at some point. What happens if we take a 10% reduction, or a 17% reduction? Are the services still out there? Is someone not going to get the designation of a stroke and trauma center, or does everyone just get a few less services for a couple of years?

Mr. Wiedrich: We would attempt to mitigate the damage as best we could. But some things that I thought of would be more of a cost share with the hospitals that are participating in the survey process. Was your question more global in terms of reductions in general to things like the EMS grants and so forth, or was that not part of the question? On that side of the house we did a series of town hall meetings, led by the EMS Association. A number of ideas have been proliferated. We are very serious about trying to find ways to reorganize the EMS system in ways that will create some greater efficiencies, including reductions in cost, by trying to tier the levels of care and doing some levels of consolidations. We are fully aware of the difficulties budget wise. We are trying to do our part to help.

Rep. Kading: Obviously there is a budget issue this year. You have 15 FTEs in the program. What would happen if one of those were pulled?

Mr. Wiedrich: It would have an impact. It would certainly mean more hands to do important work. But it would be very difficult for me to say at this juncture which specific positions that would be. Those 15 FTEs are federally funded, so it ends up focusing on a very small number of employees that are primarily dealing with the EMS side of the activity.

Chairman Pollert: On medical, dental, and optical how can you go from $280,000 up to $1,000,000?

Ms. Smith: It's called Ebola, and then we pull it right back down.

Chairman Pollert: That's right. Can we go through the equipment schedule? Is this all federal funding?

Ms. Smith: Yes, the public health and emergency preparedness funding.

Chairman Pollert: Weren't these in last biennium's budget?

Mr. Wiedrich: We did provide the eight trailers. We want to increase the amount of equipment physically located in the field. We would like to increase the level of trailers, two 53 foot trailers in each of the eight regions. The contents of those trailers are emergency response equipment, like medical shelters and evacuation equipment. This would be a net increase. We buy used 53 foot trailers that are in good shape, and then they are positioned at Department of Transportation regional shops across the state for response.

Chairman Pollert: You said that you want two in each region?

Mr. Wiedrich: Right now we have one in each region, and we would like to increase to two. That would give us the capability to go from 100 patient beds for medical shelters per region to 200 and increase the level of medical support that would allow us to have physically on site to reduce response time.

Chairman Pollert: Would the lift-gates go automatically with the trailers and the refrigerators?

Mr. Weidrich: That's correct, and we have a refer truck.

Chairman Pollert: You want to purchase 4 tents, and how many tents do you have now?

Mr. Wiedrich: We have seven.

Chairman Pollert: Were you using these tents extensively down south?

Mr. Wiedrich: We used all seven.

Chairman Pollert: What about morgue racking?

Mr. Wiedrich: We're in the process of establishing a mass fatality response process within our state. It has always been part of our required federal capability, but we prioritized it lower because in our view we needed to care for the living before the dead. What we've found in other states is that when mass fatality operations don't go well, it profoundly impacts many families. We are now beginning a process that is building a disaster response process for mass fatalities. We will have our first training session in May. The legislature appropriated $200,000 for the current biennium to complete that training. These will be some of the necessary pieces of equipment that we need to execute.

Vice Chairman Kreidt: What are we anticipating, a terrorist attack?

Mr. Wiedrich: No, not necessarily, but it could be anything from the railroad carrying hazardous materials, tornados, or any large number of events. We hope this doesn't ever have to be used.

Vice Chairman Kreidt: Seventy fatalities are a lot at one time.

Mr. Wiedrich: That is true, but we have seen car crashes that have involved numerous vehicles that can easily generate 30 individuals.

Rep. Holman: What arrangements do you have for emergencies with neighboring states?

Mr. Wiedrich: There are two levels where we would receive assistance from outside of the state. If it exceeds our thresholds within the state, the first area that we go to is an EMAC (Emergency Management Compact) request. It is a compact that all 50 states have signed onto. It is how the law enforcement officers were brought in from other states at DAPL. We

have the same capacity for medical as well. After that, we reach up to the federal government and access those medical resources. It's very expensive to do that, so our approach has been and continues to try to build reasonable resources within the state. To reach outside the state pays for something that then doesn't remain in the state. If we can invest that in our state, we can utilize it multiple times.

Chairman Pollert: Go to IT equipment the EMS data system and special funds. Where is that at?

Ms. Smith: For several years now we have been feeling the need to have a new EMS data system. Our is outdated and not working well. We have been trying to find funding for it. We now believe that the Helmsley Foundation will be willing to help us out with this EMS data system.

Chairman Pollert: What is this data system going to do, and how old is your current data system?

Mr. Wiedrich: The data system is old; probably about 12-15 years old, but more importantly it is not working well. The process by which it is functioning has become very inefficient and unstable. Our cost and repair will be substantial. We've known that we needed this new system and have collaborated with the state of SD and the Helmsley Foundation, who seem highly motivated at this point to help us. I believe we will receive this funding.

Rep. Meier: Are you requesting $26,000 out of the general fund for the FTE?

Chairman Pollert: Is this part of the half a million data system?

Ms. Weisz: That's our internal schedule. It wasn't supposed to be in the packet. It helps us out, but it shows us in the current biennium there was $26,000 in a special fund that helped pay for our EMS director's salary. He had some funding from the EMS Foundation, but that grant that is going away. Now we have to replace that part and his funding will go back to general fund.

Chairman Pollert: It is not related to the one half million?

Ms. Weisz: No, not at all. It just relates to how his salary is funded.

Chairman Pollert adjourned the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/15/2017
Job 29212

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Donna Whetham

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachments 1-3

Chairman Pollert: called the committee to order on SB 2004. We are on the emergency preparedness part of the budget. Rep Meier had a question on the back sheet.

Rep. Meier: I saw that under general funds there is an appropriation for $26,000 for part of that salary I believe and I wanted and explanation behind that?

Arvy Smith, Deputy State Health Officer for the Department of Health: We do have federal grants coming and going so mainly the director is general funded. But when the Helmsley grant came in he had a significant role in that so for a period of time he was able to use the grant instead of the general funding. That helps us with the allotment and use the general funding to fix other budget problems. Then when that grant is gone, we shift him back on to the general fund. This happens more frequently in disease control where positions have multiple grants they can charge to. (see attachment from 03/14/2017 minutes, job 29160).

Rep. Meier: This individual will then have a general fund appropriation?

Ms. Smith: Correct. We were temporarily able to use a funding source and now that the project is done he slips back into the general fund.

Chairman Pollert: On the grants schedule there is a history for the ambulance. Is there a schedule on the history?

Ms. Smith: Reviewed history of Emergency Medical Services(EMS) grants schedule (see attachment 1). (5:41-9:22)

Rep. Meier: From the 2011-13 to the 2013-15 budget, we had an over 100% increase in the rural EMS grants. Was there any carryover funding from that in the last biennium?

Ms. Smith: These are mainly general fund with the exception of the insurance tax distribution, so if there was carryover it would go back to the general fund it would not be carried over. We were pretty close to spending all of it.

Rep. Meier: Some of that increase was in part because of the increased activity in the western part of the state. We still have $6.875 million, do you think that those grants go mostly to training, correct?

Ms. Smith: The $846,000 is for the training grants, some of this may be training, but it's actual staff time. The volunteers are aging out and people are busier so we're having to pay more staff time at the ambulance services. There has been a study that has occurred and I will have Tim talk about some of the reasons for the increase.

Tim Wiedrich, North Dakota Department of Health Section Chief and Education Technology Director: The very first grant was a training grant to defray the training for volunteers. As time moved forward the staffing grant began to occur and that was to assist those services that primarily volunteer in nature but needed some level of paid personnel in order to sustain their service. That carried on for a time and then the EMS community approached the legislature indicating that the needs were not just for staffing but for all operational expenses. The staffing grant then evolved into the rural EMS assistance grant. The things that are eligible in the current form are related to operating expenses.

Rep. Meier: You stated that some of those services are being paid in full. Do you have a schedule that shows us what areas need the full funding and how that is working?

Mr. Wiedrich: We do have the detail and can provide that to you. I can generally describe it. Each year for the rural EMS assistance grants we receive between 60-70 applications for 2.5 times the amount of funding we have available to us. The application uses priority setting and some level of prorating. So many services get a portion of it even though they may not get the full amount. We still have a major problem with rural EMS. So those services that can survive on fee for service which is around 600 runs a year or higher are excluded from this process. This is targeted to the rural EMS services. We are developing a proposal that we are intending to vet through the EMS Association and Community to get a reaction to. The town hall meetings brought forward the responses to this proposal. Some areas that are in close proximity to other ambulance services, may not need to continue on as ambulance services but rather convert to quick response units. Lower costs, lower training requirements, lower equipment but still providing a speedy response. We want to structure this in a way that those decisions are local as far as how those systems are formulated. I do believe this process will move forward in the next biennium. I'm concerned about the way we are doing it now that it is propping it up as a system that won't be viable in the long-term.

Chairman Pollert: This has been an on-going process. Isn't there a double up in some areas and cases where there are not enough services?

Mr. Wiedrich: Yes. We are going to have some unhappy people, because change is never easy but we feel it will be better if it is done at the local level. 18:21

Rep. Nelson: It's a tough situation. I want to point out that these grants aren't a silver bullet for select communities. The volunteers that exist in those communities are truly volunteers. Today there is less people that go into EMS service. If they are short staffed to begin with and people's jobs are out of town, they aren't able to staff the ambulance during the working hours. They'll bring in the paid staff for that time period. This was intended to supplement the volunteer effort. Can you give an overview of the training requirement increase and the number of ambulances that exist today and how that has changed?

Mr. Wiedrich: Volunteers are down not just for EMS, but across the board. Part of the issue is the worker being gone for part of the work day if you are a volunteer, it really stresses the working relationships. We have about 75,000 runs that occur annually within this system. We estimate that there are 15,000 runs that hit this category of volunteers that are filling the need for this size community. The training issue is misleading, the initial reaction is the problem with getting volunteers is the fact the training is too great. I suggest that is not the issue. Our system is very permissive. If you want to volunteer for an ambulance service and in terms of what the law allows and what our administrative rules allow you can basically emerge with a driver's license and be put to work by that ambulance service. They would supplement with someone that knows CPR and a basic EMT. But if training was the issue, one would expect that we would have all these people volunteering with driver's licenses only and very few EMT's, and in fact the reverse is true. It is very difficult to watch a person with a severe illness or injury that you are not able to help may be why the people are not volunteering. Our training requirements have gotten more technical in nature because we are doing more advanced life support things because technology allows us to do that.

Rep. Nelson: How many rural ambulances exist today compared to 10 years ago?

Mr. Wiedrich: My recollection is that we've lost 9 in that time frame. There are 13 that we are concerned about and are watching to see if we will lose those services.

Chairman Pollert: In order to have volunteerism, there are creative ways amongst the rural ambulances of how they get that volunteer, whether it is stipends or some other creative ways. When you're trying to have volunteers in rural areas, there are things you need to do.

Mr. Wiedrich: Yes. It our hope that we support those areas that make sense and allow the maximum of flexibility. We encourage a little creativity within legal limits.

Rep. Meier: You stated that last biennium you received 60-70 applications. Are any of those applications denied?

Mr. Wiedrich: Annually we receive 60-70 applications. We try not to deny any, but we do prorate them down to a level which is substantially less than what they request. Last year

the smallest grant we gave was $4000, some are much higher up to around $80-$90,000 annual grant.

Rep. Meier: With that $80,000-90,000 grant, that can purchase equipment too?

Mr. Wiedrich: That's true, but philosophically we placed a cap on the amount that could be used to purchasing an ambulance and equipment. The investments need to occur in other areas, primarily staffing is the issue.

Chairman Pollert: For the EMS stroke mini grants, the special fund says $76,000, where does that come from?

Ms. Smith: I believe that is tobacco fund. As we go through the rest of those grants, we do have a schedule that shows you where it is related to stroke, cardiac and trauma.

Chairman Pollert: On the very first one, the local public health units, those are federal dollars. What are those used for?

Ms. Smith: Public health emergency preparedness, we work with them each year when we get the federal grant and determine how much we will do at a local level versus the state level and that is distributed based on a formula. Some of it is on a regional basis for public information officers and leadership staffing. Some goes to all of the local public health units for planning and other activities with emergency preparedness. If you want more detail Tim can give that to you.

Rep. Nelson: I'd like to know what the formula looks like.

Mr. Wiedrich: There are two contracts that we issue for local public health, one is the county allocation. All the local units receive a dollar amount to do their ongoing emergency response planning based on a flat dollar amount per county that they cover and the rest is prorated on population. The regional grants, we have 8 public health units that have regional staff that are paid for with these 100% federal funds. That is a negotiation process based on the salary policies for that local public health unit and how they reimbursements slow for establishing 2.5 positions in each of those 8. We have about 20 people in these positions. Their role is to coordinate local response activity amongst the local public health, other hospitals and providers within those regions.

Chairman Pollert: Could it be said that for example would all 53 counties get $50,000 and then after that it's set. So every county gets that particular set base and whatever their population is?

Mr. Wiedrich: That's correct. The vast majority of the roughly $2 million, $1.6 million of that ends up at the regional level funding and the balance of that goes to the individual public health units.

Rep. Nelson: Do you withhold any of the federal grant money for internal administration in the state office?

Mr. Wiedrich: The grant currently is a little over $4 million roughly. The state has many requirements that we need to fulfill in terms of completing these requirements. The types of responses we are able to mount are state responsibilities for the state medical cache that I spoke of earlier. It's far more than administration; it's the actual production, the output and the production of the systems. Having our people respond is part of that process. In very general terms, roughly half of the CDC grant goes to local public health and the other half is retained by the state. The administrative portion is a tiny percentage of the $2 million, the majority is for actually doing program outputs.

Rep. Nelson: Did you give us a description of the program already and what that will include?

Mr. Wiedrich: Could I at a very high level explain that what we produced is the incident command and control system that links all of the medical providers. The incident command and control process and that fits under the state emergency management system. These are all coordinated and integrated. This was a system that started following September 11, 2001 and the attacks that happened then. Through presidential executive order this incident command system was mandated across the country. That is part of it.

Rep. Nelson: About how much do you allocate for that?

Mr. Wiedrich: We really don't do it that way. I could come back with some estimates. So that is one component. There's training and plan creation are two additional components. The development of the necessary plans and the training of the providers. The state medical cache has a lot of visibility. In addition to that we maintain contracts with a variety of outside entities, the University System, long term care, the hospitals, bus companies and others for doing planning and response activities. This system allows us to mount a quick response for major disasters.

Rep. Nelson: Could you put together a budget, you are looking at about $2 million, it doesn't have to be detailed.

Mr. Wiedrich: I will be happy to provide that. There are roughly 15 capabilities that exist in the public health emergency preparedness response grant that are a mandate. I didn't go into all of them. We can give you an estimate of what percentage fit those capabilities.

Chairman Pollert: The health alert network, we would like details on that too. What is that dealing with? Also grants to the associations for hospital preparedness.

Mr. Wiedrich: The health alert network is our communication process that allows us to take messages and send them through email or on a reverse calling system to reach the medical providers and individuals within the system.

Chairman Pollert: Is it similar to what is used in schools for blizzard announcements?

Mr. Wiedrich: It's exactly like that. It's how we activate the folks. There are roughly 17,000 medical providers that we are capable of ringing phones. There are 1,000 medical providers

that have requested to be sent first. So we ring them first and if that doesn't fulfill the need then we can ring the additional 16,000.

Chairman Pollert: The second question was the hospital preparedness grants to associations, what is that about?

Mr. Wiedrich: We work closely with the hospital association and long term care associations in the development of planning processes for those medical institutions. There is a roughly $800,000 grant that is in addition to the PHEP grant which is roughly $4.2 million. It's in large measure where the materials that need to come for the medical system that goes into the state medical cache. It is how that process is funded. We take the recommendations from the state hospital association about what funding needs to go into there.

Rep. Nelson: Why was it cut in half?

Mr. Wiedrich: The funding in general for these programs has diminished. In the amount of federal funds we started with $6.9 million in the PHEP grant and are down to $4.2 million. With the hospital preparedness program we are $1.2 initially and is at $800,000 now.

Rep. Nelson: Are we a long way down the road in being prepared that we don't need the money or what is going to be missed with this 50% shortfall.

Mr. Wiedrich: We are continuing to make priority judgments on what can stay and what can go. We are at a lesser level of preparedness. But after Sept 11th started we are light years ahead now in having a health and medical response. We are able to maintain those at the levels we currently have. With each of those federal reductions there are losses in areas. When we had fuller funding we had satellite communications that if our normal communications failed, we could rely on satellite for data and voice. We've maintained the equipment and we can turn it back on but it takes 72 hours to do that. We've curtailed things like the number of medical shelter beds, we are making reductions and prioritizing what we are making investments in. We have very little control. These are micro-managed at the federal level.

Rep. Nelson: Do you have the ability to shift if there was a need? We're increasing the racks for bodies in one area and we're reducing beds for live people?

Mr. Wiedrich: We do. We are held accountable. The expectation is we are building out in all 15 capabilities. We've delayed, since 2003, the inception of this program, the mass fatality component and so we believe its time has come. It is a constant prioritization.

Rep. Nelson: I realize that. If there was an incident do you have a place you can go to create that bed inventory?

Mr. Wiedrich: The reality is that is determined at the time of the grant application, not during the emergency. During the emergency we would end up relying on finding the additional beds within the state. I would end up relying the e-max system reaching out to other states or the federal government all at additional cost but not funded with these grant dollars.

Chairman Pollert: Are we on the last page.

Ms. Arvy Smith: Reviewed the stroke/cardiac/trauma funding schedule (see attachment 2) and continued to review grant testimony. We no longer have Ebola funding but recently we found out we will get some for a very specific purpose. Tim will explain that. (43:48-49:37)

Chairman Pollert: Is the Ebola funding federal funding?

Ms. Smith: Yes, 100% and it is a one-time project.

Mr. Wiedrich: We were not expecting additional Ebola funding but what is being provided is for the purpose of restoring the an amount of funding to two state designated Ebola treatment centers. It is part of the Ebola system of response. This is beneficial for any communicable disease, not just Ebola. We did designate two facilities the Sanford facility in Bismarck and Fargo to do special preparation for highly contagious patients that need specialized treatment. The federal government allocated an additional amount so the facilities would receive $750,000 to the necessary renovations. It's just under $1 million that will be provided to those facilities.

Chairman Pollert: Is it $750,000 total.

Mr. Wiedrich: It's to create a dollar amount of $750,000 that each facility would receive. That was the difference between what was first awarded to them and what they expended. The two dollar amounts are going to be uneven between the two facilities because Fargo received and expended more initially. At the end of the day, they'll have a total of $750,000 according to the federal government, that is how much we will have spent in each of those two.

Chairman Pollert: So with the other funding that's still remaining, that's how we get to the $1.5 million?

Mr. Wiedrich: That's correct. We will have about $1 million and there were funds that were previously expended. That $ 1million will be split between those two facilities and Bismarck will receive more than Fargo, thus reaching the cap of $750,000 per facility.

Vice Chairman Kreidt: Going back to grants, there is $330,000 for preparedness for Ebola, is that going toward that too then?

Mr. Wiedrich: That's where that went.

Rep. Holman: When they set this up, they go into existing facilities. Are these multi-use set-ups or is this a permanently set aside place for this?

Mr. Wiedrich: Sanford in Fargo began moving forward with the development of a specific center with dedicated rooms for Ebola treatment before there was a funding source. With the advent of the new facility in Fargo, they are going to be moving that facility and we are providing them with the funding to take them to $750,000. The Fargo Sanford system is going to have to pay more to change location then what we will be funding. In Bismarck, it

will be in their main campus in terms of what will be renovated. These are not exclusive use where they sit there empty but the requirements of the room is substantially higher as far as Hepa filtration and access and control of the rooms.

Rep. Meier: How many individuals do we know of that have Ebola in this state?

Mr. Wiedrich: We have none in the country. What gave rise to this was extreme concern from foreign countries where Ebola was in a substantial outbreak format. We did have cases in the U.S. during the peak of the Ebola. Fortunately, there were none in North Dakota. There is no legitimate reason to believe we would be isolated if that outbreak continued. Even though the grant is labeled Ebola it can be used for other communicable diseases.

Chairman Pollert: This is not just for one specific item; it can be used for all communicable diseases?

Mr. Wiedrich: That is correct.

Chairman Pollert: When is that coming?

Ms. Arvy Smith: In the next biennium. We would need to get you the line items on that to make that adjustment to our budget so we have spending authority for that.

Chairman Pollert: Yes.

Ms. Arvy Smith: Reviewed the schedule for temporary salaries (see attachment 3). 57:33-1:01:31

Rep. Nelson: The stroke and cardiac care programs they fund and it's a decrease of 13% in their line item and you take the grant that was almost eliminated. I'm concerned with how that program is going to go forward effectively. How do we continue to provide the services? That is more than a minor change.

Ms. Smith: With a 10% reduction the choices are never good. This got off to a slow start and it hasn't been spending at the level so that is where some of our allotments came from in the current biennium. We did need to continue moving those forward to come up with the cuts. It is a matter of choices. Tim might be able to comment what level of activity this puts the program at versus when it was fully funded.

Rep. Nelson: If everything was stable, that explanation makes sense but then you add the loss of the grant of $1.4 million. It would seem it would give them some support to make that up in other areas rather than them experiencing that 13-14% cut in the general line.

Ms. Smith: Just to be clear, that $1.4 million was a new grant that we applied for and didn't get so it wasn't a current level of activity.

Rep. Nelson: That changes things. I didn't read it that way.

Ms. Smith: It is in the current budget but when we didn't receive it then those activities didn't occur.

Rep. Nelson: So in the 2015-17 biennium, you show $1.556 million and that was when you applied for it then. So there's $154,000 in this budget. It looks like you had it and lost it.

Ms. Smith: We had it in the budget.

Rep. Nelson: Are you applying for the $154,000, how does that match?

Ms. Smith: We are hoping for something different with the $154,000. We have no assurances we're going to get that. For stroke, I don't believe we have any opportunities, sometimes those run on a 3 and 5 year cycle and if you don't make the first year you're not back in the que until that 3 or 5 year period is up.

Rep. Nelson: Heart disease is the major killer in the state. What do you have to do to qualify?

Ms. Smith: We really need to look at where our opportunities are. When we sit down and make cuts to general funding, we looked at some of the newer things that we had gotten when times were good. We are balancing it against, I can lay out where our general funding is, some of it is vital records and forensic examiner; those are mandated by law that we have to do those activities. Those don't give us much opportunity but you don't see growth in those. We are barely holding even on those budgets. Two other big things are matches to Maternal and Child Health Block grant and EPA funding. The rest is some of these other programs that the Legislature has funded over time like suicide, domestic violence, public health and stroke/cardiac things. None of those are good choices.

Chairman Pollert: We're actually looking for 13-17% reductions, not 10%.

Rep. Nelson: I think they already meet 13%.

Ms. Smith: We do.

Chairman Pollert: Any other questions in Emergency Preparedness? Seeing none. Hearing closed.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/15/2017
Job 29227

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Jmineth

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachment 1

Chairman Pollert: Called the committee to order on SB 2004.

Arvy Smith, Deputy State Health Officer for the Department of Health reviewed handout (attachment 1) (11:24).

Chairman Pollert: Is someone from the Health Department partaking in the house human services policy dealing with medical marijuana?

Arvy Smith: The bill will be heard on Tuesday.

Chairman Pollert: So this detail will not have anything to do with the medical marijuana?

Arvy Smith: This is where it is going to be housed and budgeted but we do not have these dollars in here yet.

Rep. Nelson: Why would that go to a policy committee when it deals with money?

Arvy Smith: That was an 80-page bill of policy. (6:08) We will be able to give you a heads up on how we calculated the revenue, how many FTES we need and what they will be doing, that might give you some knowledge when you see that bill.

Rep. Holman: I am interested in the cutting of the FTES.

Arvy Smith: If we have to reduce employees in other areas they would be eligible for some of the jobs in the medical marijuana field. The salaries are coming down a bit and that has to do with turn over.

Rep. Meier: For salaries, almost all of that is federal, correct?

Ms. Smith: A lot of it is, but some is not. In the food and lodging division, it is general fund and some of it is revenue that we collect from when we do the food and lodging inspections. In health facilities, that is federal money with a small portion of general fund match. You can see we have got 2.585 million dollars' general fund in this. 1,287,000 is in health facilities and that is matching the federal money we get for skilled nursing facilities inspections. The other area here is life safety where we do the building portion of the nursing home and hospital inspections and that has some general funds. With regard to food and lodging inspections, the state, by law, is required to do those inspections that local government chooses not to do. It varies by area as whether they will inspect them or not. We fill in where the locals do not; it's by their choice. About 50% of the restaurants are done by the state. Only the ones that we do are included in this budget.

Rep. Nelson: Looking at the split of general, federal, and special funds in the salary line item, there is a decrease to federal funds and an increase in the special funds how would that work?

Ms. Smith: The reductions that you see in the salaries line that are related to turnover are heavily federally funded. In the life safety area, we are having a lot of activity there and are collecting a lot of fees. We are able to push a great amount of those expenses into the life safety inspections.

Rep. Nelson: How often do we change the fee schedule for the inspections?

Ms. Smith: It varies, for the life safety we have authority to work with the industry on the fees through policy. For lodging and those fees have to go through administer rules to be changed. Nursing home fees are in law.

Rep. Nelson: We do negotiate with them?

Ms. Smith: Industry is very support because legislatures call from facilities that are wanting to get their inspections done faster and their wanting that work load to get done quickly.

Vice Chairman Kreidt: On the inspections of building projects, that's based on a dollar amount?

Ms. Smith: Yes.

Rep. Holman: With all of these inspections, is there a regulated frequency or do you have a lot of leaway?

Ms. Smith: We do have a variety of scenarios there as well. There are federal laws that dictate how often we have to do skilled nursing facility.

Darleen Bartz, Health Resources Section Chief for the Department of Health: They give us a mission priority document annually which tells us the frequency that we are to survey the facilities. We have home health which is every 3 years and hospice which are every three years. We have 17 different programs for the type of government that we survey. It depends on the program. Basic care is the only one that is licensed and not federally certified. With our budget reductions, we had to go to a three-year cycle with them to turn back some of our general fund dollars. Food and lodging depends on the critical nature of the food to determine how often we are going in.

Kenan Bullinger, formerly with Food and Lodging Division: We do have a mandated frequency in the chapter 2309 of the Century Code on all food and lodging. The high risk food establishments are inspected at least twice a year. The low risk once is inspection once every 2 years.

Ms. Bartz: The recommendation is for more frequent in the food establishments.

Rep. Holman: Do you make a lot of rules on how they have to handle certain things?

Ms. Bartz: We are currently going through the rule making process to adopt the FDA food code. That has gone out to the public hearing.

Chairman Pollert: If you look at travel and expended that total amount which it looks like you probably did, but then when I go to the normal month, I show a big difference between what that comes out to and what you are asking for on the 947.

Ms. Smith: That is true. In this area, we have, because of the travel nature, there is a lot of turnover and it is a difficult to hire area for nursing homes. they are mainly located in Bismarck. That turnover causes some vacancies and the travel doesn't get spent to the level of if we were fully staffed. We do build our budget with the full amount of federal funds available, we try to stay fully staffed, right now we have 2 vacancies for quite a while and then it jumped to 4 and now it is back to 2. We do see the motor pool fees increase. The federal government approved for us to buy vehicles in the nursing home area. We are getting by with a lower millage rate and we done that in the current biennium, that spending is lower because we are we get a lower mileage rate. We have since learned that we can buy those vehicles so we have some savings in that number.

Chairman Pollert: Travel does look high versus the 2015-17 biennium and you're adding high 11 and then I look at the general funds 27% for the salary line item and your operating expenses 11.8% general fund. Does the federal government ask you for any figures like that? Do you need to justify your federal spending to anyone?

Ms. Smith: We do need to report to the federal government on how we are spending. In this budget that would dictate how this is funded out. In this one we don't have as much of that so you can look at the total funding. We have flexibility here but it depends on the

positions on how those positions are funded. Whatever we have left ends up in operating. The work that the positions do, if it qualifies for federal funding, they can hit that federal fund verses general funding.

Chairman Pollert: We also have to wait on the outcome of the bill to split off the Environmental Health.

Ms. Smith: As far as the DEQ coming out of Environmental Health and Quality. They did delay the start date to July 1, 2021 and so that will can do earlier if we choose to so at this time the proposal is to leave the budget as is.

Vice Chairman Kreidt: In regards to travel, is there a lot of construction going on with hospitals? Are they all located in Bismarck?

Ms. Bartz: Yes, we do have a lot of travel that goes with the construction inspections. And just the last 3 months we have had 7 that are in the final stages. One of them is the Sanford in Fargo and that has required that we send out 3-4 individuals for 3-4 days during the week to go for a couple of months, let alone the travel we do to inspect the progress of the construction along the way.

Rep. Nelson: Darleen mentioned the healthcare facility surveyors. Looking at the vacant list, there were two positions that have been open about the middle of last year and I think one of them was filled?

Ms. Bartz: Yes we were able to get a master prepared social worker whose first day was Monday. We also received an acceptance from a dietitian. We did have a resignation and that is one that we are now seeking to fill.

Rep. Nelson: Is that the health care facility?

Ms. Bartz: With our health facilities positions, the federal government breaks our work load up into tiers which is 4 tiers of work and with the 5 positions that we have had open we are struggling to complete through 3. (35:35)

Chairman Pollert: Is there an administrative code that says that for every restaurant or every food and lodging so many times are you on schedule on those?

Mr. Bullinger: Statute 2309 does mandate that we do a meeting every 2 years. It also says that we need to categorize each of our establishments by risk which we have done and that where we get to the high risk food establishments at least twice a year. There are those that need to get in there more often.

Chairman Pollert: Can you give me an example of a type of business that is high risk?

Mr. Bullinger: High risk are those that cook and chill from scratch where they are dealing with raw product and it has to be cooked properly temp. A lot of the fast food restaurants have a lot of pre-cooked food now so that lowers their risk. Then there are the C-stores that have the hot dogs and nachos those are low risk establishments.

Chairman Pollert: Are food places like at Sturgis inspected also?

Mr. Bullinger: yes, all temporary food, mobile food, chuck wagons all of those are inspected.

Chairman Pollert: When the fair is going on, will someone from the Health Department go there while they are operating at some point?

Mr. Bullinger: Yes, we try to inspect every fair that we are aware of.

Rep. Holman: The training of the people how people are involved? Also the randomness of the inspections do you say "we are here to inspect"?

Mr. Bullinger: We do train our field staff very heavily in making sure they are standardized in the federal code that we have adopted. We have a standard office. One of my employees from the standardization office is a trained trainer to go out and make sure that all inspectors in the state both local and state are standardized against the food code and there marking the violence's correctly. It's a way to make sure our field staff are trained adequately. All of our inspections are unannounced unless we do follow-up inspections. There are some jurisdictions that are doing announced inspections because there are some facilities that don't take the time to clean and sanitize properly so if they know you are coming, they clean up their place.

Rep. Meier: Bismarck has a lot of pop-up food trucks. How often do you inspect those?

Mr. Bullinger: Yes, all those temporary food stands and mobile food wagons needs to be licensed ahead of time. If there is a new one, we make sure they send plans to us to make sure that it contains everything that they need like handwashing etc.

Mr. Bullinger: The city of Bismarck does the inspections on those.

Vice Chairman Kreidt: Are you up to date on the Medicaid/Medicare?

Ms. Bartz: Yes we are up to date with our life safety code. The life Safety Code surveys are completely federal or Medicaid with the exception of basic care which is a total license ship program.

Vice Chairman Kreidt: With the annual surveys too for facilities and Medicaid/Medicare?

Ms. Bartz: What I responded was specific to the life Safety Code Division. In the Life Safety Code, we have 3 surveys and that I don't do a federal match with. We are up to date with that. With the health faculties side of that, and the 17 programs that we surveyed there the one that takes the most time for us is the one long term program. Where we fall behind is in our tier work. And so it is in some of those other programs that are not specific to long term care that we aren't getting the work done. One thing that falls into tier four is any initial survey. (47:45)

Chairman Pollert: What is Buildings/Vehicle Maintenance Supplies, What is that about?

Ms. Smith: There we did some remodeling and carpeting of the area that we are located in.

Rep. Kading: A lot of these number haven't increased over the years most of them are from federal funds, could you describe where the special funds come from?

Ms. Smith: All of the special funding come from fees except the nurse aid registry which is the health care trust fund. $93,768.00 which is from the Health Care Trust Fund. The rest of the special funds come from the fees related to the activity.

Rep. Kading: Have you increased your fees or is it more inspections?

Ms. Smith: In construction and plan review we did increase those fees. Food and Lodging we haven't increased for a while.

Chairman Pollert: Can you explain the Lease/Rentals buildings and land?

Ms. Smith: From 2013-15 there is a 2.7% increase in lease rental. Then moving into the 2017-19 biennium, we are looking at a 24% rate increase for space in the Capitol and then we added a little space to the amount in health resources.

Chairman Pollert: I thought you aren't charged in the capital? (54:07)

Ms. Smith: Only if you're general funded and these are heavily federally funded.

Chairman Pollert: Any questions on professional services? Tell us about risk factor surveys to local public health units

Ms. Smith: That is a new federal funding source and requirement that we will be working on and so that is showing up as new federal funding.

Mr. Bullinger: (56:4) That is a federal (100%) FDA grant that was applied for by my replacement. We are making sure that we educate not only the facilities that we are inspecting and license but also the inspectors as well with the local health units.

Chairman Pollert: How is there a decrease in IT Contractual Services?

Ms. Smith: This is related to the new food and lodging system we had built. We had gotten estimates at the time. The estimates were at $ 55,000 a year. It turned out to only be $26,000 a year.

Vice Chairman Kreidt: What do you get involved in with Administrative Hearings?

Ms. Bartz: The Administrative Hearing line item is for the Nurse Aid Registry.

Chairman Pollert: We are moving to the summery of federal and special funds. This is where the fees will show up.

Rep. Nelson: I don't understand the travel part, the need for an additional $111,000.

Chairman Pollert: Any questions on Health Resources?

Rep. Kreidt: Do you License the nursing homes? Would there be a fee?

Ms. Bartz: Under the hospital part

Chairman Pollert: closed the hearing on SB 2004.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/15/2017
Job 29239

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Emmeth

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachments 1-2

Chairman Pollert called the committee to order on SB 2004.

Arvy Smith, Deputy State Health Officer for the Department of Health; reviewed fee handout (attachment 1) and the schedules for medical marijuana (attachment 2). SB 2344 does remove a sufficient cost factor which is the ability for individuals to grow marijuana on their own. We have partial biennium funding in 2017-19 and then fully operational in 1921 biennium.

Chairman Pollert: Do you have an assumed start date for the partial 2017-19?

Ms. Smith: There is an emergency clause on the bill so that we can begin moving this right away. It was the expectation of the people that we get this rolling. (continued to review handout)

Rep. Kading: Can we have a description of why we have so many FTEs?

Ms. Smith: We will get to that. One other requirement of SB 2344 is that by the 1921 biennium, that it be self-sufficient. That the fees are set at a level to cover all the costs related to cover all the costs related to the Health Department This doesn't talk about the any information that we are presenting here is only related to SB 2004. The state of Delaware is most similar to our situation as far conditions, covers, forms of use allowed, they don't allow grow your own. They are at .7 per 1,000 populations so we selected 5.

Vice Chairman Kreidt: Can a designated caregiver be a family member?

Ms. Smith: It can be anybody. There weren't specific guidelines on about how much regulation should occur with those designated caregivers. Anything about whether they are selling their product to their patients or giving it to them. The reason that gets critical is because this is still against federal law, banks will not honor checks for drug sales from one party to the next. Any time there is a sale between one party to the next it will be some form of cash. (16:35)

Vice Chairman Kreidt: Is someone going to keep track of the caregivers?

Ms. Smith: Yes it does require us to keep track of all the caregivers, the patients, the physicians, and the people who decide how much and how to use it are the people at the dispensary. The physician says that this person is my bona fide patient, this person does have this condition, and this person may benefit from using medical marijuana.

Vice Chairman Kreidt: Do you think there are people that are doing this?

Ms. Smith: We suspect they will surface when we look at other states.

Vice Chairman Kreidt: They have to be a licensed MDM?

Ms. Smith: In North Dakota yes.

Rep. Meier: How does the pricing of the product work with the insurance companies?

Ms. Smith: Since it is not a prescription, I don't see insurance covering it. There is a bill that workers comp. will not be covering it or will they pay for the expense of the individual who can't work because they are on medical marijuana. As far as the cost of it, it will be borne by the patient. What we're hearing is that an ounce of marijuana in leaf form sells for $200.00 to $400.00 an ounce.

Rep. Meier: So it will be free market?

Ms. Smith: Yes. We're trying not to get involved in the market.

Chairman Pollert: How much is an ounce, how heavy is a cigarette?

Ms. Smith: In the original measure it allows an individual three ounces every 2 weeks. The senate version backed that down to 21/2 ounces per month.

Rep. Kading: In your projections, did you take into consideration if it is a recommendation if prescription or certification?

Ms. Smith: I don't know how Illinois is doing an actual prescription because I don't know if the North Dakota licensing board will go along with it.

Rep. Kading: In my opion it should stay with certification.

Ms. Smith: whatever, same thing,

Rep. Kading: It's not, what does 2344 do?

Ms. Smith: You could call it a certification. The physician has to certify to the Health Department that John Smith is my patient and does have this condition and may benefit from the use of marijuana for the condition. They certify that to us and have to have that on file.

Rep. Kading: The fee of $200 a year for a qualified patient that is one of the highest in the nation why that number?

Ms. Smith: To balance the budget basically. I don't know that it's the highest in the nation. This cost is insignificant compared to what they will pay for the marijuana.

Rep. Kading: Sales tax. Is this going to be under traditional sales tax?

Ms. Smith: There hasn't been a proposal to add an additional excise tax related to this. It is sales taxable revenue. That's in the fiscal note so that revenue would go directly to the general fund.

Rep. Kading: Banks do accept money from medical marijuana producers in the United States.

Chairman Pollert: There are some additional fees with the banks that do this.

Rep. Kading: It didn't require statutory change in the states.

Tara Brandner, Assistant Attorney General in the Attorney General's Office; You're correct. Banks can deal in the medical marijuana industry. The problem is that they have to do a susppious activity reporting We're essentially ensuring that additional illegal activities aren't happening.

Chairman Pollert: 3 ounces is equivalent to 279 joints a month.

Rep. Kading: Three ounces is a lot of marijuana. Not a lot of people smoke marijuana anymore; they are using oils and other mediums. When you get into these severe cases of pain like cancer.

Ms. Smith: We are providing for those other forms of use.

Chairman Pollert: Closed the hearing on SB 2004.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB 2004
3/15/2017
Job #29256

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature Jeanette Cook

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes:

Chairman Pollert called the committee to order on SB 2004. He welcomed the students and other visitors in the room.

Arvy Smith, Deputy State Health Officer for the Department of Health: Our most recent attempt at resolving this is with a Minnesota expert at a lab called LeafLine, Chairman Ruby, and Andrew Bachman. Measure 5 as written mentioned that three ounces of marijuana could be purchased every two weeks. Engrossed SB 2344 changes it to two and one half ounces of dried leaves or flowers per month. They can have no more than three ounces in possession at any time. With regard to the liquids, SB 2344 Engrossed, we tried to deal with the oil and liquid issue. It was worded ten grams of liquid per month, including oil or pill delivery forms. They can possess no more than fifteen grams at any time. Since the oils are more condensed, you switch to grams rather than ounces. It is also a bit more expensive. Now, we are finding that is a bit restrictive, too. So there may be additional language coming up making more clarification regarding oils, lotions, pills, patches, and various products that can fall into that category. There will probably be more amendments to address that and clarify it further. 5:10

Reviewed written testimony (attachment 2 from 03/15/2017 minutes, job 29239).
7:45

Rep. Nelson: Because it's not a legal product, could you access a dispensary across the border? Is it available to North Dakota residents if they go to Montana, South Dakota, or Minnesota?

Ms. Smith: That issue has to do with the laws of both states. In ND, there is nothing in 2344 preventing anyone from getting it across the border other than federal law that says that you cannot transfer marijuana across the border. Federal law also says that you can't be in possession of that same drug. Some states have reciprocity laws that allow selling to individuals from out-of-state, as long as they present their out-of-state card.

Rep. Nelson: One of the issues I hear about is how the Legislature is slowing down the process, and the ability for these patients to access medical marijuana. Maybe, that is one thing that could be worked on in the interim, the reciprocity. Then North Dakota residents could access it sooner, rather than waiting for our system to get up and running.

Chairman Pollert: I would suspect you will be bringing that forward to the policy committee.

Ms. Smith: We've had those discussions. One of the concerns there is that it may sound like a good short term solution, but in the long run, if we go that direction, and people develop habits of purchasing elsewhere, it is going to affect the market in-state. We could end up in a situation like Minnesota where a business cannot make enough revenue to be profitable in the state.

Chairman Pollert: If you're a resident from another state that doesn't have medical marijuana or recreational marijuana, can you come into North Dakota and buy?

Ms. Smith: No, they need to have a certified ND physician with a bonafied patient relationship. They also need a card from us in possession.

Chairman Pollert: There will be four growers statewide and eight distribution centers. Are those sellers part of the compassion centers or do the eight sellers then distribute to a compassion center?

Ms. Smith: A compassion center is a generic term for growers and sellers. We tried to protect some language of the original measure which referred to them globally as compassion centers. The industry strongly encouraged splitting growers from sellers, physically and businesswise. We made that change.

Vice Chairman Kreidt: How does the process work to become a grower, who decides who gets to be a grower, and what is the criteria for that?

Ms. Smith: There are 15 pages of regulations to become a grower and a seller. They are contained in SB 2344. There is an application fee of $5000 that has to be paid whether they are accepted or not. If they are selected, there is a registration fee, and they have to meet all the criteria. We will probably do an open bid type process to see what comes in. We will evaluate those and make selections. We have also talked about making it free market.

Rep. Kading: In your budgets did you assume that the patient had to have a primary physician relationship?

Ms. Smith: Most of that language was in the original measure, that they had to have a bonafied patient/doctor relationship.

Rep. Kading: But did it have to be the primary? Often times you may go to two or three different doctors.

Ms. Smith: I don't know that it said it had to be the **primary** doctor. It has to be the doctor for their condition. If they were doing all of their primary care elsewhere, they couldn't just go to different doctor to get a prescription for marijuana. The doctor has to have an ongoing patient relationship with them.

Rep. Kading: On page 6, 2C, "The patient is under the physician's continued care for primary medical care for the debilitating medical condition that qualifies the patient..." If you are seeing three different doctors for your pain or cancer, how is that defined, or how is that considered?

Ms. Smith: It probably could be any one of those if they are getting their primary care from three doctors. I'm not sure.

Rep. Nelson: Common practice in the rural areas of North Dakota is that your primary care physician is a mid-level. Do you have to have an MD?

Ms. Smith: Yes, it has to be an MD.

Tara Brandner, Assistant Attorney General for North Dakota Department of Health: I will direct you to page 5 of the bill. The idea of the patient's primary care physician is direct language from the original measure. The idea is to essentially limit the number of physicians a patient can see to prevent physician shopping.

End of page 1.

Chairman Pollert: I visited with a pharmacist who has grave concerns about this. There would be no pharmacist in this? The pharmacist would really be the seller, someone has to act as the dispenser?

Ms. Smith: That would be the dispensary and the designated care giver. They determine the dosage, the strength, and which product the individual should use. These are not doctors or nurses.

Chairman Pollert: What is the education requirement?

Ms. Smith: Experience. The only requirement is that they pass a criminal background check. It says that when we look at licensing an entity, we look at the expertise of their employees and how many have had experience in doing this type of thing. It is not a firm requirement.

Rep. Nelson: In some states isn't there a measurement device for the THC content, so that people have some assurance of what they are putting into their body?

Ms. Smith: This is a growing industry, and there are more and more products. There are a couple kinds of testing that will go on. The industry itself wants to test the products, so they can be properly labeled. There is a newer piece of equipment that can test for THC levels.

Rep. Nelson: But is there a national FDA standard, or are we contemplating a state standard?

Ms. Smith: As far as THC, SB 2344 requires that children are no higher than 5% THC. It is limited to 30% THC for adults. The department is going to want to do some independent testing to make sure that when they say a product has X amount of something in it; the products are valid. Some will be random controlled samples. I don't know how we're going to do that yet because we are not allowed to handle the product. That would be asking our employees to commit a federal crime, and we cannot do that.

Chairman Pollert: We're going to have varieties of products, strengths, hybrids. You have to have some levels. This is going to be an evolving process.

Rep. Nelson: Do you know what that device costs to measure THC?

Ms. Smith: I don't.

Rep. Nelson: It seems like we should allow the use of that device, so there is some sort of effort to know what is going on out in the market place.

Ms. Smith: I believe we will need to. It will be the environmental health's job to regulate the labs that do the testing. The other requirement is that no pesticides be used in this. Testing for pesticides is where the highest expense comes in. We don't have a lab in the state that can do all of that yet. I don't know the expense of the lower-costing machine, but the higher costing machines are about $600,000. Because Minnesota is very restricted and has very few products, they don't have enough volume to pay all the expenses for that type of equipment.

Chairman Pollert: In your budget, you're outsourcing for the expenses in this budget for levels, so you're not purchasing any equipment? Do you have that all figured into this budget?

Ms. Smith: We do not put the purchase of lab testing equipment in this budget. That will be outsourced.

Rep. Meier: We're going to have 8 dispensaries. Are they all going to sell the same products?

Ms. Smith: Whatever they want to sell, that meets the law. We won't require that they sell specific products.

Rep. Meier: Have you decided where those are going to be located?

Ms. Smith: We will have to consider geographic area when we look at applicants. We will want them distributed across the state, so there is access. We do have as a requirement that they have to tell us their distribution plan. That will come into our selection process.

Chairman Pollert: Let's say the bill doesn't pass. It goes back to the original measure, then anyone 40 miles from passion center can raise 3 or 8 plants and turn around and sell to anyone within the 40-mile area. Then will the whole thing will become wide open without any regulation?

Ms. Smith: If it goes back to the measure, there is still quite a bit of regulation in there, 15 pages in the original measure, for the compassion centers. There is not so much for the designated care givers. Some problems that happen there is the decriminalization. They are at risk for arrest and prosecution at their own defense. There are other issues that come about if you go back to the original measure, there is conflicting language, where they cut and paste and forgot to cut. Now there are two sections telling us how to do something differently. There are terms in there that are undefined. There are references to Delaware law. We will have people growing all over the state, and every one of those growers will need to have a criminal background check. The fiscal note on that was $2.7 million general funds in the Attorney General's Office. A fee is charged that will go to the general fund. There isn't child protection. There was a 2013 letter form the US Attorney General that indicates that if states follow certain rules, they will not enforce the federal law against marijuana. Some of them have to do with protecting children. They also have to do with preventing diversion to unlawful purposes, or for criminal resale. With the amounts of marijuana that are allowed in the original measure, we do not feel that that is protected. There are many issues.

Chairman Pollert: If it fails, the policy committees are still going to have to do some work.

Ms. Smith: There are a few issues that are concerning folks. There are a few tweaks. There are some concerns being brought forward. Some will be proposed by various parties to improve this. It is a work in progress. The voters started it, and we moved it a step further, then the Senate moved it another step. The House may improve it even more.

Chairman Pollert: Moving on to the second page. Partial Biennial costs.

30:30
Ms. Smith continued to review testimony.

33:00
Rep. Holman: I hope that we allow a certain amount of flexibility as this moves forward. There are a lot of things that are unknown as you learn how this will work.

Ms. Smith: As you can see, the Senate did leave us some room. The Senate did not make changes to the Governor Burgum budget. They left in our budget: the $6.2 million level, with $1.69 from the general fund and 13 FTE. The fiscal note for 2344 Engrossed is at a lower level. If all the numbers pan out just as we estimated, that is where we would fall. If we don't get the patients and the revenue, or if we only get two centers up and running, we lose

$60,000 - $80,000 or double that right then and there, we are in the hole. I would hope there would be room between the fiscal note, or some kind of contingency that would allow us to function in between there somewhere.

Rep. Kading: We have to make sure we're not unnecessarily restricting people from accomplishing what was said in the measure. I've looked at a couple of states. Arizona is a state of 7 million people with 99,000,000 patients, and they only have 4 FTEs working on their program. Montana has 13,000 patients and 5 FTE. Delaware has 1,700 patients and only 5 FTEs. Montana and Arizona both have grow-your-own, as well. Have you looked at how they have set their departments up? It seems like 12 or 17 FTEs is way too many for what we are looking to do.

Ms. Smith: We looked at Montana, and their program is quite a bit different from ND. They register patients and send them out the door. They do nothing else. There are some other states that show 5 FTE, but the whole registration process is handled in the tax department. The measure has all of the registration, enforcement, and regulation in the Health Department. There are a lot of different things to consider. I don't know if the others have the 15 pages of regulations for the growers and distributors that are in ND law, which were mostly in the original measure. The original measure was developed using Delaware's administrative code.

Rep. Kading: If we're completely changing the measure, wouldn't it behoove us to look at some of the other states?

Ms. Smith: We have looked at them, but they are all different.

Kenan Bullinger, Food and Lodging Division Director for the Department of Health: A lot of those states have a lot of agencies working on the medical marijuana. Minnesota has a very restrictive law, and they are at a couple of FTE more than we have here. We will look at every state that has medical marijuana, but the ones that you have indicated are low in FTEs because there are other agencies in the Department that are working on parts of their medical marijuana program.

Ms. Smith: In some states enforcement is in a different area of the budget as well. Enforcement is a big piece of this. That was substantially in the original measure. We will scale that up as needed. When we start off the biennium, we **will** be at a lower level, but by the time we have to do the enforcement, we are going to be adding positions.

Chairman Pollert: So, depending on the outcome of the bill, you're still going to have enforcement. Is that included in this budget?

40:50
Ms. Smith continued to review testimony.

Chairman Pollert: On the bottom of the second and third pages, for a partial biennium it would be $755,000? And for a full biennium it will be $1.5 million, for sure?

Ms. Smith: Yes.

Rep. Nelson: Looking at the enforcement area, I see the field inspection team is two to start with, then it goes to four in year two, and then another two. That is 7 field inspectors. We will only have four fields in the whole state, isn't that correct?

Ms. Smith: In 2019-21 we would have 5 field inspectors, another three that will be using the system where the flow of all the activity and such. There will also be a program manager over those field inspectors.

Chairman Pollert: So, you have a field inspector for each seller. They will be out there 365 days?

Ms. Smith: We'll have four growers and eight dispensaries that they will have to regulate with the possibility of two more.

Rep. Nelson: There is a limit on the size of the growing area. What is that limit?

Rep. Kading: One thousand plants.

Rep. Nelson: Why do we need all these inspectors?

Ms. Smith: I've been talking about 15 pages of regulations in the law that we have to make sure they follow.

Mr. Bullinger: We don't figure plants per acre because this is all indoor growing. Normally, a marijuana plant needs 6 feet because they branch out. Those 15 pages that Arvy refers to deal with security, alarm systems, video systems, automatic alarms to law enforcement on break ins. That is all part of the package.

Chairman Pollert: Is 1000 plants correct?

Rep. Kading: I don't think a plant needs six square feet. I've toured plants in Colorado and each plant needs about four square feet.

Mr. Bullinger: I read they need six. There are all kinds of hybrids that might need more space.

Chairman Pollert: It still comes down to, whatever the space requirement, you still have to do your due diligence because of the registration, surveillance, and everything else.

Mr. Bullinger: I would think that you would need to plant them six feet apart, so they can grow out to three feet on each side.

Chairman Pollert: I have no clue about growing them.

Mr. Bullinger: Some of the other requirements are very strict inventory control. Every plant will have a barcode. So, we will track it when it gets harvested, and when it is manufactured into other products. It is seed to sale. There will be a non-removable tag on each plant.

Rep. Nelson: Are these grown in the ground or potted plants?

Mr. Bullinger: They can be grown either way. I think different hybrids work best with different types of growing medium. Each package has a barcode; that's how we can track how much is sold to each patient.

Rep. Holman: Are there some states that are making this work well?

Mr. Bullinger: Certainly some are more successful than others. Some are just starting out. When first starting, the production facilities have quite an investment. In Minnesota they are still losing millions of dollars with only two production facilities. They are different because they have limited usable types that are available to their patients. They are not getting the patient numbers registered like they hoped. Many are successful, but many are doing other things with taxation too.

Chairman Pollert: Is it the growers in Minnesota that are losing money or the state?

Mr. Bullinger: It is the growers.

Rep. Kading: Under 2344, six new felonies are created. Have you considered the cost of that? Have you looked at the fiscal effect of the new felonies being created?

Ms. Brandner: I can address the penalties. As far as the penalties are concerned, they are not new felonies; it is essentially what would happen to an individual if they were to act outside of this Compassionate Care Act. They are felonies that they would already have been guilty of. It is just moving them into the measure.

Rep. Kading: Why do they need to be in the measure if they are already felonies?

Ms. Brandner: To clarify that you can't take these actions. It states that if you are a patient and distribute your marijuana to someone who is unauthorized under the measure, you are guilty of a felony regardless of whether it is in here or in another statute. The law only protects for using it yourself.

Rep. Kading: Why would it need to be separate, if it is already law?

Ms. Brandner: The distribution of marijuana to an individual who is not authorized under this measure is already a crime. We are just clarifying that this measure will not protect you from that crime. The goal isn't to create a bunch of new felonies; it is to say that you are allowed to use marijuana in the confines of the law. Once you go outside the scope of the law, you are no longer protected.

Chairman Pollert: With four inspectors, I can't imagine that anyone would want to go outside the law.

Ms. Brandner: The inspectors will function in that capacity as well as the auditors. The Department of Health will not be able to bring criminal charges against the patients or the

Compassion Center employees, that would be referred to state and local law enforcement. Then the prosecutors would bring the charges.

Chairman Pollert: So, what you have here and what we are doing is in the purview as far as the original measure for the enforcement and the barcodes?

Ms. Brandner: The original measure contained 15 pages of regulations. The department has fine-tuned some of those. The thing we need to consider is that this is a federally illegal drug, not wheat or barley.

Rep. Kading: I looked at the felony charges within 2344. Two of them **are** new felonies: falsely filing documents about the Compassionate Center and falsely filing records and documentation to receive an identification card.

Ms. Brandner: You're correct. They are two new felonies. We don't want individuals to be falsely filing documents.

Rep. Kading: I know we don't want that, but I don't want to be sending people to jail at $40,000 a year for a felony over.... falsely filing documents.

Chairman Pollert: Over a measure that approved by the voters.

Chairman Pollert: Reading pages 2-3.... The administration and the participation registration process, are those over and above the original measure?

Ms. Smith: As far as the registration and the enforcement, I do not believe that we added anything in 2344 that makes those costs higher. What has happened has brought costs lower. The **original** fiscal note on Measure 5 was $8.7 million with 32 FTE, and $2.4 million general fund. That was when we had people growing all over the state. It also required the Department of Health to certify that these Compassion Centers met the qualifications to be a non-profit entity. We had costs in there related to that, and legal fees related to that. We were at way higher level in original Measure 5. The $8.7 million with $2.4 million general fund and the remainder of fees. With the grow-your-own we anticipated a way higher number of patients. It made a difference when we looked at other states. The states that were at 15 per 1000 were grow-your-own.

We will go to the back page.

Ms. Smith: In the Senate version even with the $1.69 million, we're at a 13 or 15% below general fund reduction, even with the marijuana. Our challenge is trying to regulate an industry that does not yet exist.

Reviewed revenue information schedule of the testimony. (1:03:45).

Vice Chairman Kreidt: How do the distributors price the product? Will we regulate the price on it?

Ms. Smith: We are staying out of it. We are hoping the market takes care of the price. That is why we are a bit concerned about people buying across the border. That will reduce the ability of an organization to be viable in North Dakota. It will reduce North Dakotan's access in the long run.

Vice Chairman Kreidt: So, surrounding states and the distributors will regulate the price at some point. I suppose.

Chairman Pollert: Could North Dakota elect to let Minnesota do the growing and have their own dispensaries here without doing all the growing? Would that be against the intent of Measure 5?

Ms. Smith: It is one thing to take marijuana across the border for your own individual use, but it is another thing to take a bulk amount across the border for sale.

Chairman Pollert: That's right. I thought it was a good question until you mentioned state lines.

Take a break.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/15/2017
Job 29261

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachments 1-3

Chairman Pollert called the committee to order.

Arvy Smith, Deputy State Health Officer for the Department of Health reviewed written testimony (attachment 1).

Brenda Weisz, Director of Accounting for the Department of Health reviewed FTE changes (attachment 2).

Chairman Pollert: Were those vacant and you didn't fill them?

Dave Glatt, Environmental Health Section Chief for the Department of Health: They were vacant at the time but we have been using those. On the electrician tech, we had a retirement in the supervisory position so we moved that tech up and eliminated the tech one.

Rep. Nelson: Going through your vacant list, it looks like the environmental scientist II position is hard to keep filled. Is it the salary?

Mr. Glatt: It's a combination of things. It's the type of work. Those field people are required to be out in the field in any conditions. Then there is a little with the salary.

Rep. Nelson: Are you still seeing that is the case? Is it still that competitive?

Mr. Glatt: Not so much. We've lost a couple that way.

Rep. Nelson: Do you have many of those environmental engineers and scientist positions mostly housed in Bismarck or in different areas of the state?

Mr. Glatt: Primarily in Bismarck. We do have field offices in Sawyer and Gwinner and Fargo.

Chairman Pollert: Can you talk about temporary employees?

Ms. Smith reviewed temporary/overtime salaries schedule (attachment 3).

Chairman Pollert: Regarding the overtime and temporary, is that statewide or western ND?

Mr. Glatt: Typically that will be oil field related but can apply statewide as well if we would have an emergency.

Rep. Nelson: Didn't Rep. Streyle have a bill to allow you not to report every leak?

Mr. Glatt: That is still moving along. What that dealt with is spill reporting on the well pad. Anything less than 10 barrels would not have to be reported. The spills that occur on the well pad are under the jurisdiction of the industrial commission. We still have any spill that does occur has to be reported regardless of quantity.

Rep. Nelson: So your jurisdiction doesn't change at all?

Mr. Glatt: No.

Chairman Pollert: I asked about the revenue forecast and the 700 new wells. What does that mean to you? Is that a slow year compared to the past?

Mr. Glatt: It's a slow year. Where we get impacted most is with existing infrastructure. We're getting less reports, but we're spending as much time in the field dealing with the spills.

Chairman Pollert: Do you deal with city lagoons when the cities are expanding? Then the waste management and all of that. How do you see that playing out?

Mr. Glatt: The lagoons haven't created a lot of additional work, but a little bit. Waste management has stayed at a high level. We brought on TENORM and we are continuing to inspect those landfills on a monthly or twice a month basis. We also see the issues on recycling that they're trying to find ways to recycle drill cuttings and produced water.

Chairman Pollert: Do you need all those FTE when we're in more of a stalemate environment?

Mr. Glatt: When the boom was going, we were behind. We're to the point now where we've caught up. We've given back two employees and that has created a little bit of stress. We're trying to move people around and cover the bases.

Chairman Pollert: What is the expansion you mentioned that's going to take a lot of time?

Mr. Glatt: We have additional wells coming on. We have the new processing facilities, whether it's an oil refinery or ag processing, soybean facility. Those take our engineers and scientists up to a year per permit to go through.

Rep. Nelson: Under the bill that's being considered that sets you apart from the Department of Health, do you share Brenda for fiscal?

Mr. Glatt: That's one of the things we're going to have to look. That is a challenge.

Rep. Nelson: In the bill, you don't get any more FTEs, do you?

Mr. Glatt: That's correct. We would have to reorganize internally to make that happen.

Rep. Nelson: Would you like to share Brenda?

Mr. Glatt: Yes, that kind of expertise is hard to come by.

Rep. Kading: Do you have a basic federal and general fund split?

Ms. Smith: That is going to be very grant specific. We would have to look to our federal and special funding source area and some of the grants don't require a match and some do.

Chairman Pollert: For example, if we look at travel, you're operating is 25% general funds. Would that be different than IT?

Ms. Smith: In the past, when you were going to make cuts in operating, you gave us the opportunity to look at them and analyze what the funding source should be on those. We could look at which areas of the budget could tolerate a cut more than others.

Chairman Pollert: IT equipment under $5,000 shows a reduction.

Ms. Smith: It's due to the cyclical replacement schedule.

Chairman Pollert: Can we have some discussion on operating fees and services?

Ms. Smith: We don't have a schedule on that. We have a bill where they only billed $83,000 as of November 30, but we still have another $100,000 coming in there.

Chairman Pollert: What is that about?

Mr. Glatt: We require a water, wastewater operators to be certified and go through training. There used to be a federal program that would reimburse operators.

Chairman Pollert: Are you talking about our towns?

Mr. Glatt: Yes.

Chairman Pollert: We're paying for their training of that.

Mr. Glatt: Yes and reimbursing for their time and coming to the meeting.

Chairman Pollert: How much is that money coming through?

Mr. Glatt: We spent about $83,000 and have another training session coming up.

Rep. Nelson: ND Rural Water provides training in that area as well. Is this the initial training?

Mr. Glatt: Rural water has continuing education. They do not do the certification training. We do a week long training and have the certification test.

Rep. Nelson: Do the tribal water systems and wastewater operations participate in the certification?

Mr. Glatt: They do and it's a little more complex. We have historically taken regulatory oversight of some of those systems where we do direct enforcement in those areas. We were notified about 4 years ago that the EPA said we shouldn't do that anymore and they are going to take it over. They have not taken it over yet so we still encourage them to take our training.

Rep. Nelson: Who does the enforcement in Turtle Mountain?

Mr. Glatt: The EPA. That is sovereign nation. With some of the larger systems, we had a regularity oversite.

Rep. Nelson: For Turtle Mountain, you still provide that certification if they send somebody?

Mr. Glatt: Yes.

Chairman Pollert: Can you give us an update on our lawsuits?

Mr. Glatt reviewed lawsuits.

Chairman Pollert adjourned the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/17/2017
Job 29397

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature	Mary Brucker

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Minutes: No attachments

Chairman Pollert: Called the committee to order. We left off last week on the environmental health section. I have a notation here that said to start Friday on professional services. We'll start out with legal. Is that dealing with the lawsuits from before or is this in a different area?

Arvy Smith, Deputy State Health Officer for the Department of Health reviewed testimony (attachment 1 from 03/15/2017 minutes, job 29261). This would be in that area. The spending looks alright but we had to do some increases in there. We currently have a $250,000 deficiency request in 1024 that you saw earlier this session.

Chairman Pollert: We know what the general fund is. Where do the special funds come from?

Ms. Smith: I'm going to refer you to the first one and then to the last one, items in professional services, that's where the $500,000 is and that's where we're short $250,000. In legal those special funds are likely air quality fees and radiation fees; it would be a combination of various fees we collected and are shown on your fee schedule.

Chairman Pollert: Is this like a fee from the coal fire generation or what are you talking about?

Ms. Smith: Chemistry, oil and gas registration fees, air contamination fees, radiation control fees, and micro lab fees. The last one is now funded from the $500,000 EPA legal fees at the

bottom of that schedule, that one is all that strategic investment and improvement fund. The strategic investment and improvement fund only funds the $500,000 not the items on top.

Chairman Pollert: Yes, that one is fees.

Ms. Smith: The top one is fees.

Chairman Pollert: Yes. If I would look at the air quality monitoring site operators, is that an outside thing or what is that about?

Ms. Smith: I'll have Dave talk in more detail about some of these.

Chairman Pollert: It's a reduction but it's federal money.

Mr. Glatt, Environmental Health Section Chief with the Health Department: We used to contract out the monitoring site operators. We have 13 separate monitors that work 24-7, 365 so they periodically need filters changed out and some maintenance done on the buildings but we now do that internally through the department. That's where you see the reduction.

Chairman Pollert: So when you say that's done internally now is that internally but still done with federal funds or is it internally done with general funds or a combination of them?

Mr. Glatt: It's a combination of special funds and federal funds. We get Title V money and that's from air emissions from our power plants. Every ton of nitrogen dioxide, nitrogen oxide, or sulfur dioxide that goes in the air, there is a fee associated with that.

Chairman Pollert: We're going to be producing urea fertilizer at the coal gasification plant. Do you know when that's going to be done?

Mr. Glatt: I don't know when that is but they are constantly looking at new side products from their waste materials which is a good thing. They may be looking at expanding their operation.

Chairman Pollert: If they do something differently do they have to get a whole new permit process or once they're established they're set unless they have a change in their scope of whatever they're doing?

Mr. Glatt: They have a permit that deals with air emissions. Anytime they change their operation we look at it to see if that increases their emissions. If it does, then they would need a modification to their permit but if it doesn't then they're fine.

Vice Chairman Kreidt: Can you tell me a little bit about the wetlands consultation? Does that have anything to do with the Obama administration? I see now where Trump is going to get out of the wetlands or the new waters.

Mr. Glatt: That is the Waters of the U.S. There is still a lot of uncertainty of what is Waters of the U.S. The previous Supreme Court determination really put that into question. The wetlands consultation, we contract with NDSU to study the wetlands; how you define a

wetland, the type of plants, what are the environmental benefits of wetlands. They provide an environmental benefit so it's more of a study of wetlands, the plants, and the eco system that is related to that. Federal money primarily funds that.

Vice Chairman Kreidt: Does it follow along with the reclamation too? When they go in and mine, if it's considered a wetland area, do they have to replace that again the way it was?

Mr. Glatt: It is my understanding that they do. We don't get involved with the reclamation, that's PSC.

Chairman Pollert: What is a micro lab courier service?

Mr. Glatt: Because we're a large state we get a lot of samples submitted to us from various portions of the state. They have a time requirement on them, sometimes within 24 hours they have to be here from collection to starting the tests that it has to happen. We were having problems with them just dropping some drinking water samples in the mail then they wouldn't get to us in time. This courier service goes around the state and gets those samples to us in a timely manner so we can analyze them. It's not just drinking water samples; it can be other type of samples as well. We get rabies, brain samples, other medical type samples, and environmental samples.

Representative Nelson: The question I've been hearing is that your agency is getting their standalone agency. Are there areas where you would be able to develop state primacy? Currently, the EPA has jurisdiction that may open the door for more state jurisdiction, are there any?

Mr. Glatt: I've heard discussion that it would allow us to accept more primacy but it really doesn't. We already have the primacy agreements. There are several federal programs we have chosen not to adopt; Quad 0 is one of those, that is just 0000. We looked at that but it is heavily bureaucratic, a lot of paper pushing, and we didn't feel it added to the environmental regulations that we already had so we chose not to take that on. By not choosing to take that on it leaves the door open for EPA to do enforcement action which creates a lot of angst for the industry, they'd rather have the state do that. We're in the position of deciding where to spend our time and money wisely and not just accept all environmental program or laws and rules that are adopted by the federal agency.

Representative Nelson: For those of us who have no idea what Quad 0 has jurisdiction over, is it in industrial areas like coal?

Mr. Glatt: It has to do with the oil industry.

Representative Nelson: You review that from time to time to decide if there is a likelihood the EPA is going to take jurisdiction in this area then you would look at that differently and possibly get into that from a state standpoint?

Mr. Glatt: That's part of it. We also look at what we already have on the books as laws and rules that address the same thing. Through our enforcement action we've done a global

enforcement action with the oil industry. EPA was coming in to do enforcement but we told them we had it covered. We had it covered under our laws which created us butting heads with the EPA almost causing us to go to court. We look at benefit to the environment, how much it costs, do we have the staff to be able to implement it, and what the impact is on the state if we don't take it. From there we determine whether or not we take that on. Just in the air program alone we've had several hundred new rules within the last year so you can't adopt all of them. We're hopeful with the new administration that we'll see less rules come through and let us catch our breath a little bit.

Representative Nelson: I think the likelihood of that is pretty strong that will happen.

Vice Chairman Kreidt: In following the news with the new administration's budget they've already taken a third of the EPA's budget away. If that happens there will be a possibility of states picking up more and doing their own regulations.

Mr. Glatt: Several things with that; with any presidential budget that comes out I don't remember a year where they haven't said it's dead on arrival, they always say that. I think EPA will get a haircut. The cuts may not be as deep. It's a term called cooperative federalism where congress intended the state and federal governments to work together to implement the programs. I feel that in recent history the federal government has wanted to dictate to the states rather than work with us. I expect they will be looking at us to take over more of a leading role which I am up for. My concern is that with the recent budget cuts they are not only looking at staff reductions of the EPA but they are looking at up to a 31% reduction in state grants which could be catastrophic in some areas. Some of our programs are 100% federally funded so we'll have to see where those cuts lie. I don't think there will be 31% but I think EPA is going to get a haircut.

Chairman Pollert: Remind me what LUST engineering fees are?

Mr. Glatt: It's Leaking Underground Storage Tanks. That is a trust fund that was set up for sites we have that have been abandoned where we have problems. We have abandoned tanks that have leaks which have created environmental issues and there is nobody to pay for it. This is a fund that is primarily federally funded, there are some state special funds that go in there. We hire engineering firms to clean those sites up. We have a very aggressive manager in that area and he's really trying to get a lot of sites cleaned up so he's always looking for another dollar from the EPA to help do that.

Chairman Pollert: Remind me what a targeted ground fee is?

Mr. Glatt: That's Brownfield's money and it is similar to the LUST trust but it is money we provide to local governmental agencies, political subdivisions, primarily cities that have an abandoned building that may have asbestos in it. Before they can destroy the building they need to remove the asbestos and we provide money for that. It can also be used for cleaning up abandoned sites that have been contaminated to get them clean enough so they can go back on the tax rolls. Tthat is money we use for that type of activity. Primarily, it's been used for the asbestos removal.

Rep. Nelson: In the haz-mat training there is a $25,000 general fund increase. Is there more training required?

Mr. Glatt: That has to do with our haz walker training. With our turnover in new staff they need to go through 40-hour training in haz walker training to make sure they can identify a hazardous environment. Then we follow up with an eight-hour annual training of all staff once they've done the 40 hours of refresher training. That's what that money is primarily used for.

Rep. Nelson: So there is a turnover in staff. How many positions? How big is that staff?

Mr. Glatt: Every one of our environmental scientists, engineers, and people at the lab are required to go through this training. It's kind of a liability issue as well because they need to recognize when they're in the field what a hazardous environment is and not to go into it. They can wear those space suits. We get training in that and it's kind of fun to put that stuff on. We don't want our staff to get into those situations so that's what the training is for. Every new staff that comes in needs that 40-hour training. We're looking at about $10,000 a year for that eight-hour training. We've tried to make that better with online training and that seems to be working well for us.

Chairman Pollert: I don't think we went through Information technology. What is a municipal facility Safe Drinking Water Information System about?

Mr. Glatt: SDWIS. We collect a lot of data. SDWIS is a national database for drinking water information from every municipality, from all the samples they collect we put all that data into an information system so we can have access to it and are able to evaluate it. You'll see that in pretty much all of our environmental media programs there's a lot of data being collected. Not only do we regulate but we have to make sure the regulations have a positive impact.

Chairman Pollert: Whether the data can be a municipality, is that mainly what it's for or is this for everything?

Mr. Glatt: SDWIS is primarily for the drinking water program. There is a ton of data that comes in on an annual basis from every community.

Chairman Pollert: Is the reduction of $75,000 to the one below due to the increase of $80,000 from the one above?

Mr. Glatt: We are seeing a decrease in some federal money. We are combining those data sets to make them more efficient.

Chairman Pollert: What about the Waste Management, I know it's even. With the LUST, are you talking individual sewer systems that have tanks that are abandoned?

Mr. Glatt: Primarily that is from gas stations. Any large bulk storage of hydro carbons; gasoline, diesel fuel, and ethanol is under that program.

Chairman Pollert: That's not under LUST, that's under this?

Mr. Glatt: It's tied to it but it's a separate program that just deals with the data. We have several thousand tanks in the state that have to be monitored, regulated, and inspected. Operators have certain education requirements and inventory requirements they need to submit to us so that's all tracked in our data management system.

Chairman Pollert: Are you saying that Joe Blow's gas station that closed eight years ago, you're maintaining that because you would have had that on the data base?

Mr. Glatt: If Joe's service station closed a few years ago, there is a requirement that they have to properly abandon those tanks within a year after they close. We would track and make sure they properly abandoned those tanks. We get a lot of requests from people who want to buy the property and want to know what had gone on there so they go through our data bases.

Chairman Pollert: Some railroad leased property decades ago had them as asphalt. They would have a big hole in the ground where they would dump asphalt. Do you track those? Is there a database?

Mr. Glatt: I don't think we have a data base on those.

Chairman Pollert: There's a lot of that though.

Mr. Glatt: We would get several of those a year to deal with whether it's bulk storage and burying of material, so we've been asked to go out and take a look at those.

Rep. Nelson: Going back up to the municipal facilities water systems. If I was looking at that second one, the electronic reporting information system, it doesn't say what the funding source was but I'm going to assume it was federal funding. Was that to implement electronic reporting to your department and that project may be complete?

Mr. Glatt: I believe that is true. We're trying to work towards electronic reporting from all communities. We're finding the very small communities sometimes don't have that ability to do it. The more electronic reporting we can get the better it is for us because then we don't have to handle the paperwork.

Rep. Nelson: But they still have to submit a water sample in a timely manner to your lab. Up to the SDWIS, is that published information?

Mr. Glatt: Yes it is. There is a community right to know. If you wanted to know the test results for the last 15 years for the water system, we could provide that to you. We're moving towards putting all that information on our website so people can have access to it.

Rep. Holman: Minnesota requires an inspection when purchasing ag land of any storage facilities for chemical fuel or anything. How far are we into that? I know we aren't there yet, but is it coming?

Mr. Glatt: We don't require it, but we do strongly encourage it. If you're going to buy something you need to get it checked out. If there is any concern, we recommend conducting an assessment to identify any potential problem areas.

Rep. Holman: Are the rules different for ag than they are for commercial or a retail operator?

Mr. Glatt: It's a little bit different. They are required to have a plan that shows containment and that's a federal program. They can register their tanks with an insurance fund. I would encourage that because it is really cheap insurance. With above-ground storage tanks we don't have a lot of control but large underground storage tanks we do and we would require inventory control and things like that. Did you want an update on the legal status of things?

Chairman Pollert: Yes.

Mr. Glatt: We had our argument in San Francisco yesterday and it went pretty well. It sounded like the judges were fairly well informed and engaged. They questioned the Department of Justice and the CR club on their consent decree as it related to requiring states to do additional work when congress said they didn't have to. Texas and Nevada was also there with us but our attorney did the lion's share of that discussion. We're hopeful to hear about that soon.

Chairman Pollert: Was that a Health Department attorney or an outside attorney?

Mr. Glatt: That is an outside attorney. They concentrate on portions of the Clean Air Act and it's our attorney out of Denver. We argued they overextended their bounds, they were arbitrary in setting limits, and they were punitive to states like North Dakota. If it goes in our favor or not, it will get appealed to the Supreme Court. We asked for a stay of the rule and that was granted. That's for existing sources. The other part of the clean power plan, 111B, and that is for new sources, building new plants going forward. That argument will be heard in April. We are taking a lead in that as well. One of the confounding factors is the new administration and what will happen. Our feeling is that if the Department of Justice pulls away from defending the Clean Power Plan environmental groups will fill that void and pursue this. I think it's going to proceed to the court system. That will eventually end up at the U.S. Supreme Court.

Rep. Nelson: As far as our litigation fund, you mentioned that in the first case there are three states working with us, do we share those costs and attorney? Can you walk us through how the litigation money is being spent?

Mr. Glatt: In that case, we are taking the lead and paying the cost of our attorney. The other states are helping out with that. In the case of 111D and 111B there are 27 states signed on and West Virginia has taken the lead on that. We provide some attorney time but we don't do the lion's share.

Rep. Nelson: So when a state takes the lead, they are responsible for most or all of the legal costs?

Mr. Glatt: That is correct. There is another case, Regional Hayes, at the waning hours of the Obama administration it was approved in rule. Typically, in Regional Hayes it's to improve

visibility and the states have the lead rule in defining how you define visibility improvement, the modeling that was done in that, and what a reasonable glide path is to get to ultimate visibility improvement. The rule took that authority away from the states and gives it to the federal land managers. We oppose that. In addition to that they took away our defined ways to measure visibility improvement and there's no clear definition of what visibility improvement is. They give the authority to the federal land managers and they don't have to follow any rules. Texas is taking the lead on that. We signed on to say we support Texas. It was $500 to file and we're just keeping an eye on it.

Vice Chairman Kreidt: With the money for legal fees, if you run out of money, do you have a plan on how to handle that or do you have borrowing authority?

Mr. Glatt: We would do a deficiency appropriation. We spent more than what was appropriated. We're hopeful to get another $250,000 against the $750,000. Right now we're around $700,000 that was spent. If we go above that we'll have to see what we have in our budget to fill in the gap. We have one attorney on staff while other states have five or fifteen attorneys on staff. We hire outside counsel and that does help. We also have LOTUS and had to provide testimony in court from our agency. We also have the Water Transfer Rule, that's if you want to drain a field and some say that requires a permit. The Methane Rule was just pulled and that was good. We provided legal affidavits on that. On that one, if there was just a 1% interest from the federal government in a portion of the oil plate they could control 100% of all activities but we said that wasn't right. It's more than just methane emissions going into the air. The state has handled that but it's a question of how much the federal government should control state activities. In state we have things such as the Rolling Green Hog Farm. We prevailed in district court so it will get challenged to the State Supreme Court. We have one employee litigation going on that, hopefully, will go in our direction. We have about 50 different enforcement actions that were ongoing in state either dealing with waste, water, or air. Some of those we may end up in court on. There is a lot of activity going on in the enforcement area.

Rep. Nelson: Going forward, the need for specific litigation spending authority is not going away. In this budget is it going to be adequate? In the past we've given borrowing authority to you. How do we respond responsibly in a budget situation rather than coming back with a deficiency appropriation?

Mr. Glatt: My opinion is to have the $500,000 there and if we don't use it, it will go back. I believe in pendulums swinging back and forth. We had a very heavy federal oversight so in some respects it was almost better that way because we knew who our challenge was, the federal government. Now if we have a more responsible EPA I think the environmental groups are going to fill that void and they are going to be suing states individually. The only ones who come out winning in this is the attorneys because they are busy either way filing suits against the federal government or protecting ourselves against the environmental groups. That $500,000 would be there if we needed to defend ourselves.

Rep. Holman: If you had a bar graph of where your agency spends most of its time, what takes up the most of your time?

Mr. Glatt: Globally, as far as the whole environmental health section, we spend a lot of time on compliance outreach, compliance assurance, doing inspections, and time in the field. We're seeing in our area and the enforcement area it starting to gain some ground. Prior to the oil boom we did about 12 enforcement actions a year and collected about $100,000 to $200,000 a year. Now it varies to about 50 enforcement actions collecting $1-3 million a year. This year already we will be over $1 million.

Chairman Pollert: On the grants, what is the 319 non-point source?

Mr. Glatt: A 319 non-point works more on the agricultural end. It's how we work with feed lot owners to make sure they don't have manure running off their facility, landowners, or farmers. We used to cost share in no till activities when it was the new thing but we don't do that anymore. We look at more cost sharing on liperian strips along rivers to make sure we have good growth and healthy rivers and streams, so we'll provide cost share to agricultural interests to make sure water quality is improved and provide money for education. It's a 60/40 cost share. We had lakes shut down last summer due to blue green algae balloons. Some of those were related to cabins being around those lakes but some of the lakes have nothing but agriculture. You're going to hear from some farm groups who are asking why we're looking at nutrient strategies. The nutrient strategy will do a Chesapeake Bay type situation for the Red River Valley because we're impacting Lake Winnipeg. They're looking at upstream interests. They're looking all the way upstream in North Dakota and Montana as being contributors to the apoxia zone in the Gulf of Mexico. We need to show as a state that we're taking this seriously but we're going to do it the North Dakota way, not mandated by other people. So we're putting together a nutrient strategy to address that. Some of that is from the 319 monies. We'll be looking at what makes sense for farmers to implement. There are a lot of good things going on like precision farming.

Rep. Holman: Do you still allow drain fields around lakes or are you into a pumping system and the whole modern setup?

Mr. Glatt: We still allow drain fields but that's a challenge. East of town there was an irrigation system that had a drain tile where water was coming out of it and the lake association told us to shut that down. I tested it and found they had high nitrates. The board members from the lake association said we should shut them down but I told them that as soon as they could assure me that each one of their drain fields and septic systems are in compliance, then I never heard from them again. We all have to work together in this. There are a lot of lake cabins out there that don't follow code.

Chairman Pollert: Can we talk about the Range Land Protection Trust Fund to the Stockmen's Association? That's the language we have in SB 2004, right?

Mr. Glatt: Right. That is money that goes to the Stockmen's Association to where they go out in a non-regulatory sense to their feed lots, help them through the regulations, and what they need in order to update their facilities. We find that very helpful. They know their constituency and how things operate. They also know that they need to get them into compliance.

Chairman Pollert: Where are the $50,000 in special funds from?

Mr. Glatt: I think they come out of pesticide registration fees. We get a portion of that to do ground water testing to make sure pesticides aren't getting into the ground water. It also goes to help out with things such as Stockmen's.

Rep. Holman: You have the $210,000 increase on clean diesel. Is that a flexible amount with what is happening in Washington right now?

Mr. Glatt: That's one that might be zeroed out. We use that for school buses to upgrade old school buses that don't have the most up to date pollution control equipment. We cost share with school districts to buy new school buses that have less emissions. We think that's a good deal. Kids are exposed to less emissions.

Chairman Pollert: I know there are a lot of new school buses out there. They'll have the new technology on them.

Mr. Glatt: I'm proud to say that we were part of that.

Chairman Pollert: 604B, Water Quality Management Program, I would say that with your range land trust fund with the Stockmen's and the 319 is similar to that or what is that for?

Mr. Glatt: 604 B is primarily our monitoring programs where we go out and monitor surface water quality to determine where our problems are, where we need to have more outreach, and more activity to reduce nutrients or fecal matter getting into the streams.

Chairman Pollert: As an example, do you take water samples from the wildlife management areas?

Mr. Glatt: Not necessarily, we're looking more at the streams, the James River, Red River, Maple Lakes, etc. Wetlands go through NDSU in looking at the quality of those. We understand that wetlands play a critical role in filtering out contaminants from water but they also provide critical habitat. We're looking at which surface areas are adversely impaired then they go over what the impairment is if it was cattle or manure getting into the streams. That would give us an indication of where we need to step up our public outreach.

Rep. Nelson: In a lake situation, that area is of some concern to me. There should be a base line level of nutrient concentration in lakes so you can monitor what is happening. There is more development that is occurring. Is there a baseline and a monitoring system you can track?

Mr. Glatt: Typically there is. It has to be a cooperative effort; it isn't the state coming in and telling you to comply or else. We've gotten together with lake associations informing them of what they need to do to maintain the quality then we start identifying the issues. It all comes down to the money. We can provide some funding through non-point to put in a sewer system or put better holding tanks that are pumped out so we're not dumping the waste into the ground.

Chairman Pollert: I've talked to you and members of the Stockmen's Association because we have a little bit of a problem in district 29. I know there have been communications and work to get the problem corrected. We heard it was blocked off so the drainage wouldn't happen and

then they went back there two or three weeks later and opened it back up so it started draining again. Are you going back because obviously you must be getting calls from these local lake people who own lots around the lake? Do you go back and talk to them to try and get things resolved?

Mr. Glatt: We try to do that outreach and work with them as much as possible. If there is somebody who is way out of bounds, we'll take more aggressive action but it's pretty much trying to get the locals to cooperate and work together.

Chairman Pollert: With the abandoned vehicle grants, where does that money come from? Is that $2 off of a registration?

Mr. Glatt: I think it's $1.00 on the titles. That goes into a fund and it's capped at $250,000. Sometimes we spend a lot of it and sometimes we don't. It's to go out and work with the counties to get rid of the cars. Right now we're working on getting rid of abandoned trailers in the northwest part of the state.

Chairman Pollert: On the equipment over $5,000, what are these special funds?

Mr. Glatt: Special funds are either licensed fees…

Chairman Pollert: An ozone analyzer, a nox analyzer, a methane analyzer, and ammonia analyzer come from fees from…

Mr. Glatt: Typically, the Title V and the smokestack emissions from power plants. They are charged per ton so they have an incentive to minimize the amount of tons that go into the atmosphere. They go out to the monitoring stations and are monitored 24-7, 365.

Chairman Pollert: Would the ammonia analyzer be safe from the coal gasification plant? Aren't those the ones that manufacture ammonia?

Mr. Glatt: They do but you get ammonia emissions from power plants and that has a very direct impact because that changes chemically in the atmosphere as a direct impact on visibility.

Chairman Pollert: What is a rad combara analyzer?

Mr. Glatt: That is the instrument that measures radio-active isotopes. It's more portable but we can operate it within our building and get radiation concentrations from samples. In the past it took up to 30 days to get a confirmation and this gives us more immediate results.

Chairman Pollert: What is an inductively coupled plasma photometer mask spectrumology meter system?

Mr. Glatt: I call it ICP. That's in our chemistry lab. Primarily used for trace metals. That gets us low levels and we're able to run several trace metals in one sample. We currently have that technology there. We run them longer than what is typically expected of those and, periodically, we have to replace them.

Chairman Pollert: How old is this machine?

Mr. Glatt: Thirty years.

Chairman Pollert: How about the GC?

Mr. Glatt: That is used in our organic lab for pesticides, hydro carbon compounds, and those types of things. We have a lot of GCs, LP…

Chairman Pollert: How old is that piece of machinery?

Mr. Glatt: I don't know but we would be adding more on to what we have.

Rep. Nelson: If the process to store TENORM waste in that state occurs, what type of monitoring will be done?

Mr. Glatt: That is to make sure that radioactive waste disposal does not occur in your area. We have a permit application that is looking at amending an existing special waste land fill that would allow them to take TENORM waste up to 50 ? per gram. They need to get that approved through public meetings before they can get up to 50, right now they are at five. We require them to monitor and screen the gate. We're looking at ways to reduce the timeline from 30 days down to 24 hours, so we're looking at specific types of tests to do either onsite or in Bismarck.

Rep. Holman: Are all of those investments covered by fees?

Mr. Glatt: Yes, they are. It would either be laboratory fees, license fees, or something like that.

Chairman Pollert: What is an autoclave?

Mr. Glatt: It sterilizes equipment. In the micro lab you really need to have things that are sterile. It's under a high heat steam and pressure.

Chairman Pollert: On extraordinary repairs, what is ETS?

Mr. Glatt: That's the Environmental Training Center. It's ETS or ETC. It's a separate building located next to the laboratories. We're looking at upgrading that.

Chairman Pollert: How do you replace a boiler for $25,000?

Mr. Glatt: It's a boiler in the lab. It isn't a big one and it's fairly old.

Chairman Pollert: On the federal dollars, what is the EPA Performance Partnership Grant?

Mr. Glatt: That's our block grant. We have several different programs that are put into a performance partnership. There are eight or nine different programs that go into this. It's not

strictly water; you can charge that off to the various different media and get the work done. It allows us a little more flexibility.

Rep. Nelson: What is the reason for the increase in the Clean Water State Revolving Fund?

Mr. Glatt: I'll have to look for the exact reason. The way this works is we get federal capitalization grants to get that going. It's for upgrading drinking water system, water treatment plants, and upgrading the clean waters such as sewage treatment and collection lines. We give the low interest loans to the communities and their interest from that goes back so there's no additional loans.

Rep. Nelson: It doesn't seem that would identify the $455,000 growth. Is there an increase in the grant?

Mr. Glatt: We've shifted how we've spent that money. We've taken staff off of general fund money and put them on this revolving fund money for administrative implementation of the program.

Rep. Nelson: So you're using more administration in SOF?

Mr. Glatt: It's just how we've done it in the past and where we have staff allocated. I don't know exactly how many we have on each one of those but I can get those numbers for you. We have started shifting people off general funds.

Brenda Weisz, Director of Accounting for the Department of Health: If you look at the line above, the drinking water, you'll see a decrease. How they're allowing us to use the funds with the admin is they've netted out so we can use more admin in the other areas so we've done that. Then there's a net change just over $100,000. That has allowed us to use that admin for one staff position and free up some of those general funds to meet our 90% budget.

Rep. Nelson: It's one staff person. What is the difference between the two programs?

Mr. Glatt: One is for drinking water and the clean water one is for dirty water.

Rep. Nelson: Is there a backlog for loan applications out of either one of those funds?

Mr. Glatt: This last year we were able to fund all the requests that came in on both programs, I believe. It depends on the size.

Chairman Pollert: Are the sexually related diseases the gathering of the disposable needles and things? Is that where Environmental Health gets involved?

Mr. Glatt: A lot of this is used for testing in our lab, we get the samples. In the micro-lab, they will do testing for AIDS and TB. TB is mandated in law that we can't charge for those. There are some hospitals that will do these as well. Typically, they will do the tests when they can make money on, the other ones we get to do.

Vice Chairman Kreidt: On the special funds, what is the $250,000 for the range land fund?

Mr. Glatt: That is the ERP.

Chairman Pollert: Optional requests were from 2015-17 explaining the FTEs. Did we start out with 12 or so, then those of us in the House might have reduced it down then we agreed on the 10, is that how that all happened? Out of these 10 FTEs, are they vacant?

Mr. Glatt: We have openings. Some have been open for a period of time, at least six months, and that was my decision because of the budget cuts going on. Since that time we have advertised for those positions but we're still unsure if we should hire now. I'd like to identify which jobs we can fill and which ones we can't.

Chairman Pollert: Out of these 10 FTEs, where are your priorities? Where do you have a backlog?

Mr. Glatt: Two of these positions have already been given back as part of the cuts. The one is the electronic technician II and an environmental scientist from Water Quality that was given back.

Chairman Pollert: Wasn't there an FTE that was given back? I only show one FTE on the green sheets.

Sheila Sandness, Legislative Council: There were two. There was one taken out on the base budget and then Governor Burgum recommendation. On the green sheet it's 39 and 45.

Chairman Pollert: On this sheet, of the 10, you said one under Water Quality with the environmental scientist is not funded. Where was the other one?

Mr. Glatt: In Air Quality. We shifted that. We took general funds out of that and gave back and took the general funds associated with that position.

Ms. Weisz: Regarding the note on the bottom of the page, there are two other positions that are impacted by this under municipal facilities. One of those environmental engineers are no longer funded with general funds because that's funded with those special funds. In waste management one of those environmental scientists are now funded with special funds. Those general funds are also gone with the 90% budget request of the Governor. We've eliminated general funds for four positions out of these ten.

Mr. Glatt: You asked about priorities. I think priorities are going to change with the new administration. I think we're going to have more flexibility in certain areas. We're going to be asked to do more. I'm anxiously awaiting to see what the federal budget will look like because that will have a direct impact on what we look like six months from now. What is done by this body will also impact us. My priorities right now are to protect the environment. How we go about doing that is I need to know where the money is then I can start setting my priorities; clean water, clean air, and livable land. It's a very evasive answer but it's tough to set priorities until you really know where your money is.

Rep. Holman: At one time we used filtration strips along the river. I've seen it has almost disappeared now.

Mr. Glatt: You bring up a very good comment. Minnesota has gone with the buffer strips. Buffer strips help with water quality. South Dakota has looked at buffer strips and tax incentives to do that. I think that is something we'll have to look at. We don't require that now but I think as a good practice farmers have to see if there is a benefit to them. We have to figure out a way to do this. It will take involvement from the legislative body to move that forward in what's appropriate for North Dakota.

Meeting ended.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
3/17/2017
Job 29409

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachments 1-9

Chairman Pollert called the committee to order.

Arvy Smith, Deputy State Health Officer for the Department of Health provided schedules for the rural EMS grant (attachment 1) and PHEP (attachment 2).

Chairman Pollert: Regarding the leasing of your space, is that lined up for 2017-19 or are you currently leasing out there now?

Ms. Smith: There are two separate issues there. One is our office space on Burlington Ave. We've been in that lease for a few years. The new space is across the street where we have that storage space. Currently we are located in several different places. We're looking at needing more space so we would add another location. We had an opportunity for the space across the street to consolidate all of that storage and that is all our various assets. We are not in there yet, but expect to be soon.

Chairman Pollert: You haven't moved in yet.

Ms. Smith: No, but we have signed a lease.

Rep. Nelson: In the PHEP local public health total, you have $1.6 million for 2.5 regional positions for the public health units. How is that split out?

Tim Wiedrich, Emergency Preparedness and Response Section Chief: There are 2.5 positions for eight local public health units so it's a total of 20 individuals.

Rep. Nelson: Are those positions within the eight regions then?

Mr. Wiedrich: That's correct.

Chairman Pollert: There are 20 people total, but you're funding 2.5 of those?

Mr. Wiedrich: No, 2.5 per region for 8 regions for a total of 20.

Ms. Smith provided handout regarding family planning (attachment 3).

Rep. Meier: Why does Barnes County have two family planning centers?

Ms. Smith: They are satellites of Stutsman County.

Rep. Nelson: Where are these clinics housed?

Kim Mertz, Director of the Division of Family Health: Six are located in local public health units, one is a non-profit, one is located at UND School of Medicine in Bismarck, and the one in Dickinson is in Community Action.

Ms. Smith reviewed funding schedules (attachment 4).

Chairman Pollert: Regarding the suicide funding schedule, have you tried to apply for any of those grants?

Ms. Smith: We have tried to apply and we did not receive them. In the current biennium, we have it in our budget with the full intent of applying and getting that grant. We just did not get it. We will apply for it again in the next round, but don't anticipate that in 2017-19. We are continuing to look for other sources. There is a grant for $200,000 we're applying for.

Ms. Smith reviewed community health schedules (attachments 5 and 6).

Neil Charvat, Director of the Tobacco Prevention and Control Program reviewed handout (attachment 5).

Rep. Meier: How do you receive your sample data and how many individuals are you surveying?

Mr. Charvat: This is the youth tobacco survey. I don't have the exact number of students. We do this each year in conjunction with the Youth Risk Behavior Survey. It's about 30% of the schools in the state.

Rep. Meier: Is it up to the districts if they want to participate or not?

Mr. Charvat: That is something we ask them to be a part of.

Ms. Smith reviewed the grant awards schedule (attachment 7).

Rep. Nelson: The $7 million is what is at risk if ACA goes away.

Ms. Smith: And if the federal government does not choose to pick them up in another way. Some of these are critical programs that I would expect they would look for another method to fund.

Rep. Nelson: When you say that some of these can go away and it won't matter much, is Million Hearts one of them because there is no money in it? Would I track that by the dollar award that's associated with it?

Ms. Smith: That was a short-term that is ending on 06/30/2017. Some of these are more one-time type of things where we would discontinue that particular activity. But some of these are really core functions to public health.

Chairman Pollert: Are the ones marked with Yes a little more important?

Ms. Smith: The yesses are a base program that was in place before this fund started.

Rep. Nelson: On the back page under chronic disease, the Quitline has an end date of 07/31/2017 but there's still $100,000. Would that be going forward?

Ms. Smith: The award end date is the current award we are in. We are assuming we are going to get another one of those in the next two years. It's $50,000 each year if we get it.

Ms. Smith reviewed the schedule for local public health allocation (attachment 8) and the schedule for the Ebola grant and the Volkswagen settlement (attachment 9).

Rep. Nelson: With the Volkswagen Settlement Plan, how much flexibility would Dave have in his department with those funds?

Brenda Weisz, Director of Accounting for the Department of Health: He has it out for comment right now to get input on the plan to decide where we want to move forward with that. It's set up in a trust so the flexibility is a little bit centered as to what can be done. Once the plan is approved, then the flexibility is somewhat centered on the approved plan.

Rep. Nelson: If there's a project that he anticipates needing funding for, it would be in air quality and the clean fuel areas, and limited to that?

Ms. Weisz: Yes, that's correct. It has to be a purpose of the trust.

Chairman Pollert adjourned the committee.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Human Resources Division
Sakakawea Room, State Capitol

SB2004
4/5/2017
Job 29943

☐ Subcommittee
☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency.

Minutes: Attachments 1-3

Chairman Pollert called the committee to order.

Sheila Sandness, Legislative Council provided base level funding changes (attachment 1) and proposed changes (attachment 2).

Vice Chairman Kreidt reviewed proposed amendment 17.0512.02006.

Rep. Nelson: On the $1 million added in grants for local public health, I would have liked to see that undesignated because of the cash flow problem in the area of immunizations. I don't intend to offer a substitute amendment in that regard.

Chairman Pollert: On section 14, is the cost $150,000 out of the tpcf fund?

Vice Chairman Kreidt: That is correct.

Chairman Pollert: The $1 million and $500,000 are also coming out of tpcf?

Vice Chairman Kreidt: That is correct.

Chairman Pollert: Regarding SB2344, is that fiscal note in this?

Vice Chairman Kreidt: That is correct.

Chairman Pollert: Are there some little tweaks to this amendment?

Sheila Sandness, Legislative Council: There is a typo in the body of the bill that will be corrected. So your motion would be to adopt the 02006 version as corrected. There is a typo in the section that talks about the funding from tobacco and also a reference to Medicaid that should be medical. It doesn't change the substance.

Vice Chairman Kreidt: I would move amendment .02006 with the corrections.

Rep. Meier: Second.

Roll Call Vote: Yes – 6, No – 0, Absent – 0. Motion carries.

Rep. Nelson reviewed proposed funding change amendment (attachment 3).

Chairman Pollert: What is your first bullet point?

Rep. Nelson: It's a facilitation program. It's court-related. It's implemented in four judicial districts currently and this would complete that program statewide.

Rep. Kading: Has this program had good results? What is the history of this program?

Rep. Nelson: I can't give you an account of how many couples. I don't know what the measurement standard would include.

Rep. Kading: Why did you choose the tobacco prevention and control trust fund?

Rep. Nelson: The appropriate place for it is the general fund but that is an unlikely area for implementation of this at this time. The Department of Health does have general fund and federal fund authority in the grants line. They do fund a number of domestic violence programs now. This would be supplementing that grant.

Rep. Nelson: I'll move that amendment.

Rep. Meier: Second.

Chairman Pollert: I do have questions about the source. I'll be looking for a funding source.

Rep. Nelson: I don't have a problem with that. This should have been handled in HB1041 because that is part of the justice reinvestment ideals, but it wasn't. The Department of Health does implement a number of these programs. The general fund is where this should be and it should be implemented going forward, not just in this biennium. We have to find a funding source so if you can find a better one, I'm with you.

Rep. Holman: We're maybe setting a precedent of using tobacco control money for a good cause, but for something other than tobacco prevention. If we can find something better or a better place, I would want us to keep looking for that.

Roll Call Vote: Yes – 6, No – 0, Absent – 0. Motion carries.

Vice Chairman Kreidt: I would move a Do Pass as Amended.

Rep. Meier: Second.

Chairman Pollert: On section 9 of the baseline budget bill, what is the repeal?

Sheila Sandness, Legislative Council: That is repealing chapter 23-38 which is related to the community health grant program.

Chairman Pollert: Is that the 80/20 rule?

Sheila Sandness, Legislative Council: No, it is the advisory committee for the community health grants.

Roll Call Vote: Yes – 5, No – 1, Absent – 0. Vice Chairman Kreidt will carry the bill.

Chairman Pollert closed the hearing.

2017 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2004
4/6/2017
29969

☐ Subcommittee
☐ Conference Committee

Explanation or reason for introduction of bill/resolution:

Relating to the tobacco settlement trust fund

Minutes:

2:00 Representative Kreidt: Reviewing bill and amendment 17.0512.02007. Section 2 is the change in health insurance, SB 2162 was defeated sections 2 and 3 of the bill are sections 9 and 10 in this amendment. It is the loan repayment program for dentists who do services in the rural areas and to Medicare patients.

Chairman Delzer: You said something about a bill that failed? Was it these things that made it fail?

Representative Kreidt: No there were other things that made the bill fail.

Representative Pollert: Chairman of the house policy committee brought this up to us and asked us to put these things in here because these two sections were a casualty of that bill failing.

Representative Nathe: The dental loan repayment program, how much money is in there?

Representative Kreidt: There is 700 thousand is in that account. Continuing with section 13, tobacco control advisory committee and the transfer over to the health department. There is a repealer in here and that related to chapter 23-38 of the community health grant program. Section 14 is dealing with tobacco prevention and control.

10:15 Representative Pollert: In the health department budget I think there's 480 thousand dollars for this already. We had talked that there might need to be another 150 in this. If I'm correct I think that money is already allocated and the budget's already there so then we wouldn't have to do that 150.

Representative Kreidt: Statement of purpose there are the house changes and deductions. Adjustments to health insurance, then we moved 8 FTEs, this would be agency wide. We reduced operating expenses agency wide by 850 thousand dollars. We removed 7 FTE from the medical marijuana positions. We added funding 94,827 thousand for federal Ebola grant, add funding from the Volkswagen corporation settlement fees of 2.5 million.

15:15 Chairman Delzer: With the removal of the 7 FTEs, they were asking for 13, you guys dealt with 2344 passed this is the number that was agreed upon that was needed?

Representative Pollert: We did not change the fiscal note or anything with the passing of 2344.

Chairman Delzer: At cross over we had used about 16 million of the extra money from tobacco controlled group and then 11 in the health department and this 1.8 on page 4 is all out of that same fund right? Instead of using 27 we'll use 28.8, ok.

Representative J. Nelson: With all that was said about the justice reinvestment. HB 1041 they missed this, there is a program that four of the district courts are using in the domestic violence situations. It has had outstand success. It has reduced 70% of repeat calls, they've had an 88% decrease in criminal charges and 88% drop in protection orders for those couples that are in this program. These 300 thousand dollars would continue this program in those districts and roll it out state wide.

Chairman Delzer: Why is it in the health department?

Representative J. Nelson It's in the community health section now. Domestic violence grants are in this department.

Representative Monson: In our discussions in our sections we were talking about the repayment for dentist and optometrist. Is this a different thing then what we were talking about? We were trying to coordinate so that they were all the same.

Chairman Delzer: I think it's the same one.

Representative Pollert: The loan repayments in the department of health is there's dental and then you got the medical repayment, behavior health repayment and the veterinarians repayment.

Representative Monson: I just want to see that they are all treated the same.

Sheila Sandness, Legislative Council: The various repayment programs are statutory but the money is appropriated for these programs **to** the health department.

Representative Nathe: We have a bill very similar to this for the rural teachers, didn't we take the money out of that one?

Chairman Delzer: The dental loan program has been going for years.

Representative Nathe: That bill tried to do the same thing and we took the money out. I think there's a lot bigger need for teachers then for dentists. I have an issue with this.

Representative Vigesaa: I was surprised to see money for Volkswagen in the budget. What is that 2.5 million to be used for?

Representative Kreidt: Those funds are to be used for towards litigation plans and environmental health has been designated to be used to reduce emissions and the funds will be extended as grants over 5 years.

Representative Boehning: Talking about the emergency clause, is that just the medical marijuana of would it be for whole bill?

Sheila Sandness, Legislative Council: It covers section 13 as well, if you go to the amendments on page 3, it says age 4 line 5 after 1 insert and section 3 which is the transfer of the records. I understood that was what needed the emergency clause. If you need that on 14 we would have to add that.

Chairman Delzer: Further discussion?

Representative Kreidt: I will make a motion to adopt 17.0512.02007

Representative Meier: Second

Voice vote, All in favor, motion carries

Representative Nathe I would like to make a motion to strike section 9 and section 10 of the amendment

Representative Boehning: Second

Representative Pollert: I think this should have been done at the start of the session not now. We shouldn't do it now, not without more discussion.

Chairman Delzer: I think we should oppose this amendment because we don't have all the answers on this.

Representative Monson: In 2003 we were talking about tuition repayment, in this one we are talking about loan repayment.

Chairman Delzer: Representative Nathe was talking about the one for teachers and we turned that into a study to find out where the biggest need was.

Representative Monson: I like part of this and would hate to take out the whole thing. I think it's important to say that they need to accept Medicare patients.

Representative Sanford: I have seen that program in action and this is truly underserved population and it's truly a sacrifice for those dentists.

Representative Kreidt: These are dental loans and have been run through the health department as long as I have been working on this budget. I hope we are able to leave this in here.

Chairman Delzer: Maybe we want to take a look at this in the study form.

Representative Nathe: We talk about consistency across the board, we have a lot more need for teachers then for dentist.

Representative Monson: If we were to pass this amendment what would happen to those that we already made a commitment

Representative Pollert: This is on a teared system if you want to keep this from going forward we can stop it but we can't just drop the group that we have commitments to.

Representative J. Nelson: There are a lot of dentist across the state but they do not all see Medicare patients.

Representative Nathe: I would like to resend the motion and change it to make a motion to take no new applicants.

Representative Boehning: Second

Sheila Sandness, Legislative Council: You would have to leave the money to cover the contracts that we have now.

Chairman Delzer: We have a motion and a second for no new applicants and the extra money should be turned back.

A Roll Call vote was taken. Yea: 7 Nay: 13 Absent: 1

Motion fails

Representative Pollert: This was created by Representative Weisz and Representative Mock but this deals with SB 2344. The intent would be to take away the 2/3 vote if there is a vote to repeal it. This is not my amendment but I brought it forward and **I would make a motion to adopt amendment 17.0512.02008**

Representative Delmore: Second

Voice vote, All in Favor, Motion carries

Chairman Delzer: we have the amended bill before us, is there any further discussion?

Representative Kreidt: I would move for a Do Pass as Amended

Representative Meier: Second

Chairman Delzer Further discussion?

A Roll Call vote was taken. Yea: 20 Nay: 0 Absent: 1

Motion carries Representative Kreidt will carry the bill

17.0512.02006
Title.

Fiscal No. 1

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
Division Committee
April 4, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03, and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to provide for a report to legislative management;"

Page 1, line 14, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$443,903	$63,249,821
Operating expenses	40,598,335	(2,959,050)	37,639,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,487,181	59,583,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$8,820,839	$199,327,261
Less estimated income	141,970,854	14,073,200	156,044,054
Total general fund	$48,535,568	($5,252,361)	$43,283,207
Full-time equivalent positions	365.00	(3.00)	362.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,002,131, of which $529,839 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,598,195"

Page 3, after line 6, insert:

"**SECTION 9. AMENDMENT.** Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who shall provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists~~

~~who will~~must agree to accept Medicaid patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 10. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on Medicaid assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

   a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

   b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 13. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee shall be

transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee prior to July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 14. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 13"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$62,805,918	$64,416,107	($1,166,286)	$63,249,821
Operating expenses	40,598,335	38,394,458	(755,173)	37,639,285
Capital assets	2,895,232	3,446,740		3,446,740
Grants	57,096,760	56,135,670	3,448,271	59,583,941
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704
WIC food payments	20,200,000	20,200,000		20,200,000
Medical marijuana		6,236,376	(4,675,606)	1,560,770
Total all funds	$190,506,422	$200,977,092	($1,649,831)	$199,327,261
Less estimated income	141,970,854	155,888,204	155,850	156,044,054
General fund	$48,535,568	$45,088,888	($1,805,681)	$43,283,207
FTE	365.00	377.00	(15.00)	362.00

Department No. 301 - State Department of Health - Detail of House Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 8 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagon Corporation Settlement Proceeds[6]
Salaries and wages	($98,894)	($1,067,392)				
Operating expenses			(850,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($121,209)	($1,067,392)	($850,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(66,608)	(433,077)	(680,000)	(3,707,563)	1,043,098	2,500,000
General fund	($54,601)	($634,315)	($170,000)	($946,765)	$0	$0
FTE	0.00	(8.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Tobacco Cessation Products[7]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[8]	Total House Changes
Salaries and wages			($1,166,286)
Operating expenses			(755,173)
Capital assets			
Grants			3,448,271
Tobacco prevention	500,000	1,000,000	1,498,963
WIC food payments			
Medical marijuana			(4,675,606)
Total all funds	$500,000	$1,000,000	($1,649,831)
Less estimated income	500,000	1,000,000	155,850
General fund	$0	$0	($1,805,681)
FTE	0.00	0.00	(15.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month.

[2] Eight FTE positions are removed, including related funding for salaries and wages.

[3] Funding for operating expenses is reduced agencywide.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House, to provide a total of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation products.

[8] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,598,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee to be transferred to the State Department of Health. The State Department of Health shall have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must

provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.

- Adds sections to amend North Dakota Century Code Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure.

Prepared by the Legislative Council staff
for Representative Nelson
April 4, 2017

SENATE BILL NO. 2004
LISTING OF PROPOSED CHANGES TO ENGROSSED VERSION

Department - State Department of Health

Proposed funding changes:

	Description	FTE	General Fund	Special Funds	Total
1	Adds funding from the tobacco prevention and control trust fund for domestic violence offender treatment grants.			$300,000	$300,000
					0
	Total proposed funding changes	0.00	$0	$300,000	$300,000

Other proposed changes:

1 None

17.0512.02007
Title.

Fiscal No. 2

Prepared by the Legislative Council staff for
House Appropriations - Human Resources
Division Committee
April 5, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03, and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to provide for a report to legislative management;"

Page 1, line 14, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

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Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,120,839	$199,627,261
Less estimated income	141,970,854	14,373,200	156,344,054
Total general fund	$48,535,568	($5,252,361)	$43,283,207
Full-time equivalent positions	365.00	(3.00)	362.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,002,131, of which $529,839 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 9. AMENDMENT.** Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include~~

~~dentists who will~~must agree to accept Medicaid patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 10. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

   a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

   b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 13. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee shall be

transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee prior to July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 14. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 13"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$62,805,918	$64,416,107	($1,166,286)	$63,249,821
Operating expenses	40,598,335	38,394,458	(755,173)	37,639,285
Capital assets	2,895,232	3,446,740		3,446,740
Grants	57,096,760	56,135,670	3,748,271	59,883,941
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704
WIC food payments	20,200,000	20,200,000		20,200,000
Medical marijuana		6,236,376	(4,675,606)	1,560,770
Total all funds	$190,506,422	$200,977,092	($1,349,831)	$199,627,261
Less estimated income	141,970,854	155,888,204	455,850	156,344,054
General fund	$48,535,568	$45,088,888	($1,805,681)	$43,283,207
FTE	365.00	377.00	(15.00)	362.00

Department No. 301 - State Department of Health - Detail of House Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 8 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagon Corporation Settlement Proceeds[6]
Salaries and wages	($98,894)	($1,067,392)				
Operating expenses			(850,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($121,209)	($1,067,392)	($850,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(66,608)	(433,077)	(680,000)	(3,707,563)	1,043,098	2,500,000
General fund	($54,601)	($634,315)	($170,000)	($946,765)	$0	$0
FTE	0.00	(8.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation Products[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total House Changes
Salaries and wages				($1,166,286)
Operating expenses				(755,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($1,349,831)
Less estimated income	300,000	500,000	1,000,000	455,850
General fund	$0	$0	$0	($1,805,681)
FTE	0.00	0.00	0.00	(15.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month.

[2] Eight FTE positions are removed, including related funding for salaries and wages.

[3] Funding for operating expenses is reduced agencywide.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee shall be transferred to the State Department of Health. The State Department of Health to have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health.

- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.
- Adds sections to amend North Dakota Century Code Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure.

Prepared by the Legislative Council staff for
Representatives Weisz and Mock
April 5, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

Page 1, line 4, after the semicolon insert "to provide a statement of legislative intent;"

Page 3, after line 6, insert:

"**SECTION 8. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota."

Renumber accordingly

9/7/17DA
1 of 5

17.0512.02009
Title.03000
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations Committee
April 6, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to provide a statement of legislative intent; to provide for a report to the legislative management;"

Page 1, line 14, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$443,903	$63,249,821
Operating expenses	40,598,335	(2,959,050)	37,639,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,120,839	$199,627,261
Less estimated income	141,970,854	14,373,200	156,344,054
Total general fund	$48,535,568	($5,252,361)	$43,283,207
Full-time equivalent positions	365.00	(3.00)	362.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,002,131, of which $529,839 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 10. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 11. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

   a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

   b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"SECTION 14. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER. As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 15. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 14"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$62,805,918	$64,416,107	($1,166,286)	$63,249,821
Operating expenses	40,598,335	38,394,458	(755,173)	37,639,285
Capital assets	2,895,232	3,446,740		3,446,740
Grants	57,096,760	56,135,670	3,748,271	59,883,941
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704
WIC food payments	20,200,000	20,200,000		20,200,000
Medical marijuana		6,236,376	(4,675,606)	1,560,770
Total all funds	$190,506,422	$200,977,092	($1,349,831)	$199,627,261
Less estimated income	141,970,854	155,888,204	455,850	156,344,054
General fund	$48,535,568	$45,088,888	($1,805,681)	$43,283,207
FTE	365.00	377.00	(15.00)	362.00

Department No. 301 - State Department of Health - Detail of House Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 8 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagon Corporation Settlement Proceeds[6]
Salaries and wages	($98,894)	($1,067,392)				

Operating expenses			(850,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($121,209)	($1,067,392)	($850,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(66,608)	(433,077)	(680,000)	(3,707,563)	1,043,098	2,500,000
General fund	($54,601)	($634,315)	($170,000)	($946,765)	$0	$0
FTE	0.00	(8.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation Products[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total House Changes
Salaries and wages				($1,166,286)
Operating expenses				(755,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($1,349,831)
Less estimated income	300,000	500,000	1,000,000	455,850
General fund	$0	$0	$0	($1,805,681)
FTE	0.00	0.00	0.00	(15.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month.

[2] Eight FTE positions are removed, including related funding for salaries and wages.

[3] Funding for operating expenses is reduced agencywide.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units.

4/7/17DP
5 of 5

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
- Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee shall be transferred to the State Department of Health. The State Department of Health to have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.
- Adds sections to amend North Dakota Century Code Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure.

Date: 4/5/2017
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2004

House Appropriations - Human Resources Division Committee

☐ Subcommittee

Amendment LC# or Description: 17.0512.02006

Recommendation: ☒ Adopt Amendment, as corrected
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Vice Chairman Kreidt Seconded By Rep. Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Representative Holman	X	
Vice Chairman Kreidt	X				
Representative Kading	X				
Representative Meier	X				
Representative Nelson	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

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

Date: 4/5/2017
Roll Call Vote #: 2

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2004

House Appropriations - Human Resources Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Rep. Nelson Seconded By Rep. Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Representative Holman	X	
Vice Chairman Kreidt	X				
Representative Kading	X				
Representative Meier	X				
Representative Nelson	X				

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

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

Adds funding from the tobacco prevention and control trust fund for domestic violence offender treatment grants.

Date: 4/5/2017
Roll Call Vote #: 3

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2004

House Appropriations - Human Resources Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By Vice Chairman Kreidt Seconded By Rep. Meier

Representatives	Yes	No	Representatives	Yes	No
Chairman Pollert	X		Representative Holman	X	
Vice Chairman Kreidt	X				
Representative Kading		X			
Representative Meier	X				
Representative Nelson	X				

Total (Yes) 5 No 1

Absent 0

Floor Assignment Vice Chairman Kreidt

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

Date: 4/6/2017
Roll Call Vote #: 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2004

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: **17.0512.02007**

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By **Representative Kreidt** Seconded By **Representative Meier**

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich			Representative Streyle		
Representative: Boehning			Representative Vigesaa		
Representative: Brabandt					
Representative Brandenburg					
Representative Kading			Representative Boe		
Representative Kreidt			Representative Delmore		
Representative Martinson			Representative Holman		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Pollert					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

MOTION CARRIES

Date: 4/6/2017
Roll Call Vote #: 2

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2004

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: **No new applicants for the dental program**

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By **Representative Nathe** Seconded By **Representative Boehning**

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer		X			
Representative Kempenich	X		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa		X
Representative: Brabandt	X				
Representative Brandenburg		X			
Representative Kading	X		Representative Boe		X
Representative Kreidt		X	Representative Delmore		X
Representative Martinson		X	Representative Holman		X
Representative Meier		X			
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson		X			
Representative Pollert		X			
Representative Sanford		X			
Representative Schatz	A				
Representative Schmidt		X			

Total (Yes) 7 No 13

Absent 1

Floor Assignment _____

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

MOTION FAILS

Date: 4/6/2017
Roll Call Vote #: 3

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2004

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: **17.0512.02008**

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By **Representative Pollert** Seconded By **Representative Delmore**

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich			Representative Streyle		
Representative: Boehning			Representative Vigesaa		
Representative: Brabandt					
Representative Brandenburg					
Representative Kading			Representative Boe		
Representative Kreidt			Representative Delmore		
Representative Martinson			Representative Holman		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Pollert					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

MOTION CARRIES

Date: 4/6/2017
Roll Call Vote #: 4

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2004

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ _____

Motion Made By **Representative Kreidt** Seconded By **Representative Meier**

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X		Representative Streyle	X	
Representative: Boehning	X		Representative Vigesaa	X	
Representative: Brabandt	X				
Representative Brandenburg	X				
Representative Kading	X		Representative Boe	X	
Representative Kreidt	X		Representative Delmore	X	
Representative Martinson	X		Representative Holman	X	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Pollert	X				
Representative Sanford	X				
Representative Schatz	A				
Representative Schmidt	X				

Total (Yes) 20 No 0

Absent 1

Floor Assignment **Representative Kreidt**

If the vote is on an amendment, briefly indicate intent

MOTION CARRIES

REPORT OF STANDING COMMITTEE

SB 2004, as engrossed: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2004 was placed on the Sixth order on the calendar.

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to provide a statement of legislative intent; to provide for a report to the legislative management;"

Page 1, line 14, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$443,903	$63,249,821
Operating expenses	40,598,335	(2,959,050)	37,639,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,120,839	$199,627,261
Less estimated income	141,970,854	14,373,200	156,344,054
Total general fund	$48,535,568	($5,252,361)	$43,283,207
Full-time equivalent positions	365.00	(3.00)	362.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,002,131, of which $529,839 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 10. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 11. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

   a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

   b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"SECTION 14. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER. As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 15. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 14"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$62,805,918	$64,416,107	($1,166,286)	$63,249,821
Operating expenses	40,598,335	38,394,458	(755,173)	37,639,285
Capital assets	2,895,232	3,446,740		3,446,740
Grants	57,096,760	56,135,670	3,748,271	59,883,941
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704
WIC food payments	20,200,000	20,200,000		20,200,000
Medical marijuana		6,236,376	(4,675,606)	1,560,770
Total all funds	$190,506,422	$200,977,092	($1,349,831)	$199,627,261
Less estimated income	141,970,854	155,888,204	455,850	156,344,054
General fund	$48,535,568	$45,088,888	($1,805,681)	$43,283,207
FTE	365.00	377.00	(15.00)	362.00

Department No. 301 - State Department of Health - Detail of House Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 8 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagon Corporation Settlement Proceeds[6]
Salaries and wages	($98,894)	($1,067,392)				
Operating expenses			(850,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($121,209)	($1,067,392)	($850,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(66,608)	(433,077)	(680,000)	(3,707,563)	1,043,098	2,500,000
General fund	($54,601)	($634,315)	($170,000)	($946,765)	$0	$0
	0.00	(8.00)	0.00	(7.00)	0.00	0.00

FTE

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation Products[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total House Changes
Salaries and wages				($1,166,286)
Operating expenses				(755,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($1,349,831)
Less estimated income	300,000	500,000	1,000,000	455,850
General fund	$0	$0	$0	($1,805,681)
FTE	0.00	0.00	0.00	(15.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month.

[2] Eight FTE positions are removed, including related funding for salaries and wages.

[3] Funding for operating expenses is reduced agencywide.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
- Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.

- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee shall be transferred to the State Department of Health. The State Department of Health to have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.
- Adds sections to amend North Dakota Century Code Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure.

2017 CONFERENCE COMMITTEE

SB 2004

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004
4/13/2017
Job # 30135

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature Emmery Brotherg for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes: Testimony Attached # 1 – 2.

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer called the conference committee to order on SB 2004. Conferees were: **Senators G. Lee and Mathern and Representatives Pollert, Meier and Holman.**

Sheila Sandness handed out State Department of Health – Budget No.301 – Testimony Attached # 1.

Senator Kilzer: Today we'll listen to the changes that the House made to the bill.

Representative Pollert: Went through the House amendments and read from the Statement of Purpose on amendment .02009. – Testimony Attached # 2. (1:50-5:20)

Senator Kilzer: Why was it defeated?

Representative Pollert: They tried to fix the bill but there was no common ground. They asked for the recommendation Do Not Pass, and then wanted amendments added to the Health Department budget. Enough people didn't like the bill.

Senator Kilzer: Did the Health Department want this added in?

Representative Pollert: We had the discussion with Rep. Weisz, and when myself Rep. Kreidt and Rep. Meier had been up to the Health department, they asked if we would put those sections.
Representative Pollert: Resumed explaining the amendments from Attachment #2 6:50-8:40.

(8:40 – 12:50) **Committee Discussion:** General off-microphone discussion while copies of the attachment are distributed. The committee discussed the reduction in FTEs and general funds. Representative Pollert explained the House committee's reasons for the reduction.

(12:50 – 17:00) **Representative Pollert:** Continued to go over the House amendments (See Attachment #2). Representative Pollert said the funding was necessary to add programs for the domestic violence offender treatment programs in Minot, Williston, Dickinson, Devils Lake, Jamestown, and the reservations. He said that there needed to be a discussion if the funding for Breathe ND should be for tobacco cessation products or tobacco cessation.

Senator Kilzer: Are you referring to e-tobacco?

Representative Pollert: I am talking about nicotine patches, etc.
(17:30 – 21:42) Representative Pollert continued to discuss the House amendments (See Attachment #2). He discussed where the money should come from to address the needs of tobacco prevention.

(21:42) **Senator Mathern:** There are many behavioral health providers who believe tobacco is the highest cause of death for persons with mental health problems. I wonder if the issue of that being too much money is a matter of not providing it to the right place; should that have gone to Human Services? Was it a discussion on your part in terms of appropriate placement or did you get discussion from both agencies that it was too much money?

Representative Pollert: We had no discussion about transferring those dollars over to the Department of Health for that. We had the amendment to go to tobacco cessation products and then after we adapted the amendment, I had a discussion with department and they said they didn't all that money for the products so we thought we would bring that up to the conference committee.

Senator Kilzer: I do have a couple of questions about the Ebola virus grant. Miss Smith, how sure is the grant and how does it fit in because I thought Ebola was conquered?

Arvy Smith, State Health Officer, State Dept. of Health: With the Ebola, when we went before the Senate these things were brewing but we weren't positive of them yet. As we went over to the House we found that these are very firm funding. The funding is titled Ebola but it is for more enhanced infection control and we are basically passing the money straight through to Sanford in Bismarck and Sanford in Fargo for increased infection control whether it is Ebola or some other infectious disease.

Senator Kilzer: Is this a national thing where they have selected hospitals across the country to be the regional center if they have a case of the virus?

Arvy Smith: It is a national effort and the state has to select which hospitals and we did go through a process to make sure there weren't any other interested parties and Sanford was

the one who surfaced as the interested party in ND. Various other states across the nation are getting this funding for the same purpose and they are selecting hospitals for them.

Senator Kilzer: This is a one-time grant, correct?

Arvy Smith: Correct.

Senator Mathern: On the issue of cessation products, is the issue that there isn't the need or the right place that has the system in place to get it used by people who need the product?

Arvy Smith: The issue is that our cessation efforts aren't only the product, it's also the counseling, the quit line, and I believe we want the flexibility to use it where we need it within cessation. We wanted it for cessation but not just product. We wanted it to go either or within the cessation piece.

Senator Mathern: Is there enough product for those people who need the product?

Arvy Smith: This is a little less than we currently have in cessation.

Krista Fremming, Director of Chronic Disease, State Department of Health: The funding for the majority of the nicotine replacement therapy products that we have goes through a contract with our quit line vendor who is currently national Jewish Health. That is included in the overall cost of that contract. Also with the grants we provide to the health systems in the state, we are able to fund some of the nicotine replacement therapy through those contracts as well.

Senator Mathern: This amount would continue those contracts and would be sufficient to continue that service, correct?

Krista Fremming: The $500,000 that is designated to product I believe would be more than what we would need for products which means we can use it more broadly for cessation. Medicaid does cover all seven of the FDA approved products so I don't know there is a need to go the DHS route but maybe it can give us some flexibility in how we spend in that overall cessation line.

Senator G. Lee: The House removed 15 FTEs; do you know how many of those were related to the medical marijuana program?

Arvy Smith: Seven of them are related to the medical marijuana program. The rest of them are not identified as to which section or individual they are. We pulled some positions and looked at their funding sources and the House asked us to identify five. They used an average in proration to get to eight.

Senator G. Lee: Are some of those going to be unfilled positions?

Arvy Smith: We do have some currently unfilled positions; however we have a lot of things going on. Medical marijuana is a challenge and we're at bare bones with that

budget. In order to do the $50 fee instead of $200, we had to take it down to bare bones and we have 6 FTEs. With the startup biennium, that may be doable.

Senator G. Lee: For tobacco, we added one correct?

Arvy Smith: Yes, the Senate had added the tobacco position. We are down three FTEs. We add six for marijuana, we added one for tobacco, and we lost 8 additional FTE. We also lost two in our request which brings us down three FTE in total.

Representative Pollert: In the allotment process, the Health Department did it with funds and didn't have really any FTEs. I know they have eliminated a couple positions in the air quality division and they had two more positions. They moved the funding around and had special. We strongly feel that five-seven FTEs should come out because almost every budget we are looking at is a 13-15% reduction.

Senator Kilzer: When we had this bill, there wasn't any discussion of separating out the environmental quality from the department so we do need to have that discussion.

Arvy Smth: The fiscal note for SB 2327 we'd indicated that we would be able to cover any additional costs be reorganizing within the section and department so loss of an FTE does hamper that effort so that concerns from our perspective as well as we try to reorganize and accommodate the many changes we are facing.

Senator Kilzer: Closed the meeting on SB 2004.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004
4/17/2017
Job # 30174

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature Emmery Brotherg for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes: Testimony Attached # 1

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer called the conference committee to order on SB 2004. Conferees were: **Senators G. Lee and Mathern and Representatives Kreidt, Meier and Holman.**

Senator Kilzer: Asked the committee for their comments or questions.

Representative Kreidt: Our section of appropriations has spent time working on the Health Department's budget. The House thought that with the shortfall with state revenue that we did a fairly good job working this particular budget in order to balance the books. If you go to item 6 (page 4 of amendment 17.0512.02009 – Attached #1), we added $500,000 for tobacco cessation and products. After discussion with the department, we'd like to remove the word "products."

Senator Kilzer: You want to use the word "cessation" and leave out the word "products," correct?

Representative Kreidt: Correct. We reduced the FTEs by eight because there were no reductions through the allotment process in regards to reduction in FTEs. If you look across the spectrum, there has been a lot of reduction in FTEs across the public spectrum. If one entity that will have impact of decreased FTEs, it's only fair that the department should also experience some of the same impact. With the number of employees, eight FTEs is a small number for them to sacrifice in order to balance our state budget.

Senator G. Lee: In terms of the word "products" as opposed to "cessation," what kind of products are you referring to there?

Representative Kreidt: We had discussion with the department after we had worked on the budget. The department felt more comfortable without the word "products." The language restricted them and they wanted leeway but we left it there with the hopes of rectifying it in conference committee.

Senator Mathern: Would the level of services stay the same in terms of those products or is this cutting a level of use of those products? I am concerned about that because people need some of these products to kick a habit. Will this help still be available if we remove the word "products?"

Representative Kreidt: I can't give a definite answer, but I'm assuming that it would continue the same way it did when the other organization was handling it.

Senator Kilzer: The proposal I would like you to consider for our next meeting is the following:
1) The starting point is the House version. I thought they have done a good job and so some of their amendments would stay in my proposal, including the grant for domestic violence of $300,000 and the addition of $1M for grants for local public health units for tobacco cessation.

2) I'd also include taking out the word "products" in two places as Representative Kreidt mentioned and the footnote #8.

3) I'd like to retain the line item transfer that is included in this proposal so the department has the ability to shift around items in the various lines.

4) The actual changes in numbers is to take the $850,000 reduction in operating that was put in by the House and make it $500,000. My proposal is to remove six FTEs instead of eight.

Sheila Sandness: Would you like a full amendment drafted?

Senator Kilzer: Yes.

Sheila Sandness: Is the Senate acceding to the House amendments or are we still going to do the House recede and further amendment and include all of the House amendments with these changes?

Senator Kilzer: We would be acceding to the House amendments and further amending.

Representative Kreidt: We'll take this back and our committee will discuss it and we may come back with a counter proposal.

Senator Kilzer: The reason I asked Legislative Council: is so you can have a written document to look at.

Senator Mathern: You are suggesting that we accept all of the House changes except the FTE changes and you are suggesting the FTEs goes to six, correct?

Senator Kilzer: I also mentioned the operating expense of $500,000 instead of $850,000.

Senator Mathern: The House reduced a number of other items from the Senate version and those would be in your amendment, correct?

Senator Kilzer: Correct. They would remain unchanged from what the House did. Any other questions? If anyone has any other proposals, they are welcome to bring them forward.

Senator Mathern: Can legislative council prepare this on the long sheet? I believe the changes are too dramatic but I think it would be helpful to have that schedule so we can compare.

Committee Discussion: The committee and legislative council discussed the amendment. Legislative council will create a schedule sheet.

Senator Kilzer: Closed the conference committee hearing on SB 2004.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004
4/18/2017
Job # 30194

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature Emmery Brotherg for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes: Testimony Attached # 1 – 4

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer called the conference committee to order on SB 2004. Conferees were: **Senators G. Lee and Mathern and Representatives Kreidt, Meier and Holman.**

Senator Kilzer: Handed out Proposed Amendment 17.0512.02010 – Attached # 1.

Sheila Sandness: Handed out:
State Department of Health – Budget No. 301 – Attached # 2.
State Department of Health – Budget No. 301 (extra columns) – Attached #3.
(1:45 – 5:00) Miss Sandness explained the amendments.

Senator Mathern: I have a question on Section 14 regarding the transfer of records from Breathe ND to the Department of Health. There is already a process for all state agencies about retaining records. What was The House's concern? Why is that section in there and why is there an emergency clause related?

Representative Meier: The Health Department wanted to assure that the records the tobacco coalition gets transferred in a timely manner which is why that language is there.

Lori Laschkewitsch: The records would probably come to OMB if there wasn't language that would turn those records over to the Health Department. Since the program would continue in the Health Department, it would be appropriate to have those records transferred there. The reason for the emergency clause would be so they were transferred by the end of the biennium.

Senator Mathern: It appears to me that there is that transfer process in place already and adding this wording implies they aren't trustworthy.

Lori Laschkewitsch: Without this language, the records would be transferred to OMB rather than the Health Department. This section just specifies that the records be transferred to the Health Department.

Senator G. Lee: In terms of the Capital Assets line ($3.4M), do you have what is included in that?

Sheila Sandness: That equipment is spread throughout the agency's budget. I believe most of it is funded with federal funds or special funds. There are some capital payments, extraordinary repairs, and equipment.

Representative Meier handed out Suggested SB 2004 amendment – Attached # 4 and read the amendment.

Senator Mathern: I support this addition and it is important we do as much as we can in preventative health.

Representative Meier: Moved to Adopt Representative Meier's Amendment.

Representative Holman: Seconded the motion.

A Roll Call Vote was taken: 6 yeas, 0 nays, 0 absent.

Motion carried.

Senator Mathern: I am concerned about the number of FTEs in combining agencies. We're adding marijuana and Breathe ND functions and we should be adding more FTEs than these amendments indicate.

Senator Kilzer: If there are no further amendments, I'd like to proceed with the vote on amendment .02010.

(14:00 – 15:30) **Committee Discussion:** The committee discussed how to proceed on amending the bill. The Senate said they would like to take more time to consider the amendments.

Senator G. Lee: Moved the House Recede from their amendments and further amend.

Motion fails for lack of second.

Representative Kreidt: We will come with a counter proposal and then we can all come to a final conclusion.

Senator Kilzer: We'll have additional meetings and look at more proposals.

Senator Kilzer: Closed the hearing on SB 2004.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004
4/19/2017
Job # 30218

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature Marne Johnson for Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes: Testimony Attached #1

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Chairman Kilzer called the conference committee to order on SB 2004. Conferees were: **Senators G. Lee and Mathern and Representatives Kreidt, Meier and Holman.**

Representative Kreidt: Handed out an email from June Herman (attached #1) containing language to replace the wording in the Meier amendment which was passed yesterday (4-18-17).

Vote 1-

Representative Kreidt moved rescind the amendment that was voted on yesterday (Lisa Meier's amendment).
Representative Meier seconded the motion.

Representative Meier: Apparently there was concern over the tracking language and they came up with a compromise.

A Roll Call Vote was taken: 6 yeas, 0 nays, 0 absent.

Senator Kilzer: Yes	**Representative Kreidt: Yes**
Senator G. Lee: Yes	**Representative Meier: Yes**
Senator Mathern: Yes	**Representative Holman: Yes**

Vote 2-

Representative Kreidt: Brought forth and proposed the language in the June Herman email for the Cardiac System of Care Task Force and moved the language.
Senator G. Lee: Seconded the motion.

A Roll Call Vote was taken: 6 yeas, 0 nays, 0 absent.
Senator Kilzer: Yes **Representative Kreidt: Yes**
Senator G. Lee: Yes **Representative Meier: Yes**
Senator Mathern: Yes **Representative Holman: Yes**

Representative Kreidt: The two items discussed and debated during the conference committees were the FTEs (the House removed 8 – the Senate asked that there would be six left to stay in the budget. The House will concur with that; we will allow the six to be removed instead of 8. We were discussing the operating expenses. On the House side we removed $850,000; if the senate agrees to reduce that to $675,000, those are our two proposed amendments to the Health Department budget. We've agreed on Insurance, marijuana positions, Ebola, Volkswagen settlement, domestic violence, tobacco cessation and prevention and control grants. Already decided on the removal of "products". My motion would be to have 6FTEs and operating budget of $675,000.

Vote 3 -

Representative Kreidt moved that the House recede from House amendments and further amend 17.0512.02010, thus creating a new numbered amendment . Senator G. Lee: Seconded.

Senator Mathern: Asked Sheila Sandness to go through long sheet if the amendment is adopted.

Sheila Sandness The change to the conference committee long sheet would be to the line item where it says "reduces operating expenses agency wide" you can see the middle section has an $850,000 reduction, the conference committee then, based on Rep. Kreidt's proposal would be a reduction of $675,000. That's 20% general funds ($135,000 reduction in general fund). It would be an additional $35,000 reduction over what the conference committee number shows here in General Fund.

Chairman Kilzer: Further discussion? If this were adopted, what would be the action taken?

Sheila Sandness: The motion would be the House recede from its amendments and further amend, and we would draft a .02011 version that would make the change. The only change would be the reduction in footnote 3 would be $675,000. At the bottom where it says General fund, the $100,000 written would be $135,000.

Senator Mathern: Wouldn't there also be a change in the FTE?

Sheila Sandness: The House concurred with the removal of the 6 FTE. That is already in this amendment.

A Roll Call Vote was taken: 6 yeas, 0 nays, 0 absent.
Senator Kilzer: Yes **Representative Kreidt: Yes**
Senator G. Lee: Yes **Representative Meier: Yes**
Senator Mathern: Yes **Representative Holman: Yes**

Chairman Kilzer: Asked when would the amendments be ready. He adjourned the meeting.

2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2004
4/20/2017
Job # 30247

☐ Subcommittee
☒ Conference Committee

Committee Clerk Signature Emmery Brotberg for

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health.

Minutes: Testimony Attached # 1

Legislative Council: Sheila Sandness
OMB: Lori Laschkewitsch

Senator Kilzer called the conference committee to order on SB 2004. Conferees were: **Senators G. Lee and Mathern and Representatives Kreidt, Meier and Holman.**

Senator Kilzer: Handed out amendments 17.0512.02011 – Attached # 1.

Representative Kreidt: In amendment .02011, there is a change from yesterday. What would have been Section 4 from the amendment yesterday was removed in regards to the line item transfer authorization. The reason for the removal was because of discussions at the higher level. If transfers are needed, the Health Department will come before the emergency commission to ask for transfers and it will go to the budget section for approval and that has been removed. In order to get our proposed amendments, I would ask Section 4 be removed.

Sheila Sandness: Section 4 was removed from 17.0512.02010 (Attachment #1 from SB 2004, 4/18/17, Job # 30194). The changes from the .02010 version to the .02011 version would be the addition of the newborn screening section and the change in the operating expense dollar amount instead of the removal of $500,000 agency wide, there is the removal $675,000. Those are only changes from the .02010 version.

Senator Kilzer: Is there a change in the money going from the reduction of 8 FTEs to a reduction of 6 FTEs?

Sheila Sandness: The .02010 version already had the 6 FTEs which was a difference from the House version of 2 FTEs, so those dollars were already added back in. It may amount to $270,000 of additional funds over the House version. General funds are about $156,000

added back to the agency because of those two additional FTEs which is different than the House version.

Senator Mathern: Somebody contacted me about the million dollars in grants. On Page 4 of amendment .02011 there is a million dollars added to the local public health unit tobacco prevention and control grants. Someone asked if that was going to be expanded so that the department would have the option of using local public units or other entities. I was led to believe the House wanted to make that change also, why is it not included?

Sheila Sandness: This amendment is the same as the amendment the House adopted. It hasn't been changed by the conference committee, I received no request to do so. It is the same as the House approved.

Senator Kilzer: Is that why it does not appear here?

Sheila Sandness: The motion was that the House recede from its amendments and further amend. So this amendment was prepared according to what the conference committee approved.

Representative Kreidt: Legislative Council is correct; there was no discussion in changing that language that I am aware of and we're still in favor of leaving that language as it is.

Senator Mathern: I understand the department wanted that change and had spoken with the House but if that is not the case, I understand why it is not changed.

Representative Kreidt: Moved to remove section 4 in Amendment 17.0512.02010 and for the House to recede from the House amendments and further amend by adopting amendment 17.0512.02011.

Representative Meier: Seconded the motion.

Senator Mathern: I will resist that motion. We're asking the department to make many changes.

A Roll Call Vote was taken: 4 yeas, 2 nays, absent.

Senator Kilzer: Yes	**Representative Kreidt: Yes**
Senator G. Lee: Yes	**Representative Meier: Yes**
Senator Mathern: No	**Representative Holman: No**

Motion carried.

Senator Kilzer: Closed the hearing on SB 2004.

Suggested SB 2004 amendment related to newborn screening cardiac system of care:
Add a footnote related to the grant funding for cardiac and stroke systems of care

*The Cardiac System of Care Task Force will recommend guidance in collaboration with newborn screening stakeholders on key elements of critical congenital heart defect detection screenings, related birthing center resources for staff and parents, address EMS data point capture and other considerations for ensuring timely, responsive newborn screenings system as required by state law.

Meier, Lisa M.

From: June Herman <June.Herman@heart.org>
Sent: Tuesday, April 18, 2017 5:41 PM
To: Meier, Lisa M.
Subject: RE: SB 2004

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

I was cc'd on it and as you saw, I can support it. We will be in hall early tomorrow for any further discussion.

Sent from my Verizon Wireless 4G LTE smartphone

-------- Original message --------
From: "Meier, Lisa M." <lmeier@nd.gov>
Date: 04/18/2017 5:09 PM (GMT-06:00)
To: June Herman <June.Herman@heart.org>
Subject: FW: SB 2004

Hi June,

Has Arvy visited with you about this language?

Thanks,

Lisa

From: Smith, Arvy J.
Sent: Tuesday, April 18, 2017 5:07 PM
To: Kilzer, Ralph L. <rkilzer@nd.gov>; Lee, Gary A. <galee@nd.gov>; Mathern, Tim <tmathern@nd.gov>; Kreidt, Gary L. <gkreidt@nd.gov>; Meier, Lisa M. <lmeier@nd.gov>; Holman, Richard G. <rholman@nd.gov>
Cc: June Herman <June.Herman@heart.org>
Subject: SB 2004

Below is alternative language that we would like to see regarding the cardiac system of care task force and newborn screening amendment that was passed this morning.

The Newborn Screening Program will collaborate with the Cardiac System of Care Taskforce to identify and provide critical congenital heart defect educational materials and algorithms for health care facilities, resources for parents, and explore options for data tracking.

Prepared by the Legislative Council staff for
Senator Kilzer
April 18, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

That the House recede from its amendments as printed on pages 1352-1356 of the Senate Journal and pages 1538-1542 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to authorize transfers; to provide a statement of legislative intent; to provide for a report to the legislative management;"

Page 1, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$716,060	$63,521,978
Operating expenses	40,598,335	(2,609,050)	37,989,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,742,996	$200,249,418
Less estimated income	141,970,854	14,769,104	156,739,958
Total general fund	$48,535,568	($5,026,108)	$43,509,460
Full-time equivalent positions	365.00	(1.00)	364.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,007,440, of which $525,796 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 2, after line 18, insert:

"**SECTION 4. LINE ITEM TRANSFER AUTHORIZATION.** The state department of health may transfer appropriation authority among the line items in section 1 of this Act for the biennium beginning July 1, 2017, and ending June 30, 2019. The state department of health shall notify the office of management and budget and the legislative council of any transfers made pursuant to this section."

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 10. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 11. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 12. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan

payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 15. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 16. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO THE LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 15"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$62,805,918	$64,416,107	($894,129)	$63,521,978	$63,249,821	$272,157
Operating expenses	40,598,335	38,394,458	(405,173)	37,989,285	37,639,285	350,000
Capital assets	2,895,232	3,446,740		3,446,740	3,446,740	
Grants	57,096,760	56,135,670	3,748,271	59,883,941	59,883,941	
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704	13,646,704	
WIC food payments	20,200,000	20,200,000		20,200,000	20,200,000	
Medical marijuana		6,236,376	(4,675,606)	1,560,770	1,560,770	
Total all funds	$190,506,422	$200,977,092	($727,674)	$200,249,418	$199,627,261	$622,157

Less estimated income	141,970,854	155,888,204	851,754	156,739,958	156,344,054	395,904
General fund	$48,535,568	$45,088,888	($1,579,428)	$43,509,460	$43,283,207	$226,253
FTE	365.00	377.00	(13.00)	364.00	362.00	2.00

Department No. 301 - State Department of Health - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 6 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagen Corporation Settlement Proceeds[6]
Salaries and wages	($93,585)	($800,544)				
Operating expenses			(500,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($115,900)	($800,544)	($500,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(58,973)	(324,808)	(400,000)	(3,707,563)	1,043,098	2,500,000
General fund	($56,927)	($475,736)	($100,000)	($946,765)	$0	$0
FTE	0.00	(6.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total Conference Committee Changes
Salaries and wages				($894,129)
Operating expenses				(405,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($727,674)
Less estimated income	300,000	500,000	1,000,000	851,754
General fund	$0	$0	$0	($1,579,428)
FTE	0.00	0.00	0.00	(13.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the House version.

[2] Six FTE positions are removed, including related funding for salaries and wages. The House removed 8 FTE positions and related funding.

[3] Funding for operating expenses is reduced agencywide. The House reduced funding for operating expenses agencywide by $850,000.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House and the Senate, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund. This level of funding is the same as the House version.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department, the same as the House version.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions, the same as the House version. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants, the same as the House version.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation. The House provided the same level of fund for cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units, the same as the House version.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases, the same as the House version.
- Adds a section to provide the State Department of Health may transfer appropriation authority between line items contained in the agency's budget. This provision was not included in the House or Senate version.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs, the same as the House version.
- Adds a section of legislative intent that North Dakota Century Code Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023, the same as the House version.
- Adds sections to amend Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists, the same as the House version.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee to be transferred to the State Department of Health. The State Department of Health must have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health, the same as the House version.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management. This provision was included in the House version, but not the Senate.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure, the same as the House version.

17.0512.02011
Title.04000
Fiscal No. 2

Prepared by the Legislative Council staff for
Conference Committee
April 19, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

That the House recede from its amendments as printed on pages 1352-1356 of the Senate Journal and pages 1538-1542 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to authorize transfers; to provide statements of legislative intent; to provide for a report to the legislative management;"

Page 1, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$716,060	$63,521,978
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Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,567,996	$200,074,418
Less estimated income	141,970,854	14,629,104	156,599,958
Total general fund	$48,535,568	($5,061,108)	$43,474,460
Full-time equivalent positions	365.00	(1.00)	364.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,007,440, of which $525,796 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 10. STATEMENT OF LEGISLATIVE INTENT - NEWBORN SCREENING - CARDIAC SYSTEM OF CARE TASK FORCE. It is the intent of the sixty-fifth legislative assembly that the state department of health's newborn screening program collaborate with the cardiac system of care task force to identify and provide critical congenital heart defect educational materials and algorithms for health care facilities and resources for parents and to explore options for data collection and analysis for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 11. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 12. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14

kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 15. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 16. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO THE LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 15"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$62,805,918	$64,416,107	($894,129)	$63,521,978	$63,249,821	$272,157
Operating expenses	40,598,335	38,394,458	(580,173)	37,814,285	37,639,285	175,000
Capital assets	2,895,232	3,446,740		3,446,740	3,446,740	
Grants	57,096,760	56,135,670	3,748,271	59,883,941	59,883,941	
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704	13,646,704	
WIC food payments	20,200,000	20,200,000		20,200,000	20,200,000	
Medical marijuana		6,236,376	(4,675,606)	1,560,770	1,560,770	
Total all funds	$190,506,422	$200,977,092	($902,674)	$200,074,418	$199,627,261	$447,157
Less estimated income	141,970,854	155,888,204	711,754	156,599,958	156,344,054	255,904

General fund	$48,535,568	$45,088,888	($1,614,428)	$43,474,460	$43,283,207	$191,253
FTE	365.00	377.00	(13.00)	364.00	362.00	2.00

Department No. 301 - State Department of Health - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 6 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagen Corporation Settlement Proceeds[6]
Salaries and wages	($93,585)	($800,544)				
Operating expenses			(675,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($115,900)	($800,544)	($675,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(58,973)	(324,808)	(540,000)	(3,707,563)	1,043,098	2,500,000
General fund	($56,927)	($475,736)	($135,000)	($946,765)	$0	$0
FTE	0.00	(6.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total Conference Committee Changes
Salaries and wages				($894,129)
Operating expenses				(580,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($902,674)
Less estimated income	300,000	500,000	1,000,000	711,754
General fund	$0	$0	$0	($1,614,428)
FTE	0.00	0.00	0.00	(13.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the House version.

[2] Six FTE positions are removed, including related funding for salaries and wages. The House removed 8 FTE positions and related funding.

[3] Funding for operating expenses is reduced agencywide. The House reduced funding for operating expenses agencywide by $850,000.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House and Senate and signed by the Governor, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund. This level of funding is the same as the House version.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department, the same as the House version.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions, the same as the House version. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants, the same as the House version.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation. The House provided the same level of funding for cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units, the same as the House version.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases, the same as the House version.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs, the same as the House version.
- Adds a section of legislative intent that North Dakota Century Code Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023, the same as the House version.
- Adds a section of legislative intent that the State Department of Health's newborn screening program collaborate with the cardiac system of care taskforce to provide congenital heart defect educational materials and to explore options for data collection and analysis. This section was not included in the House or Senate version.
- Adds sections to amend Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists, the same as the House version.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee to be transferred to the State Department of Health. The State Department of Health must have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health, the same as the House version.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management. This provision was included in the House version, but not the Senate version.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure, the same as the House version.

Date: _____
Roll Call Vote #: _____

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

Attendance Sheet

BILL/RESOLUTION NO. 2004 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Senators	4/13	4/17	4/18	Yes	No	Representatives	4/13	4/17	4/18	Yes	No
Senator Kilzer	✓	✓	✓			Rep. Pollert	✓				
Senator G. Lee	✓	✓	✓			Rep. Meier	✓	✓	✓		
Senator Mathern	✓	✓	✓			Rep. Holman	✓	✓	✓		
						Rep. Kreidt		✓	✓		
Total Senate Vote						Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Title # _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4-18-17
Roll Call Vote #: 1

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2004 as (re) engrossed

Senate Appropriations Committee

Action Taken
- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion to accept Suggested SB 2004 amendment - Meier's Amendment

Motion Made by: Rep. Meier Seconded by: Rep. Holman

Senators				Yes	No	Representatives				Yes	No
Senator Kilzer				✓		Rep. Kreidt				✓	
Senator G. Lee				✓		Rep. Meier				✓	
Senator Mathern				✓		Rep. Holman				✓	
Total Senate Vote				3	0	Total Rep. Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Title # _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: _____
Roll Call Vote #: _____

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

Attendance

BILL/RESOLUTION NO. 2004 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☐ **HOUSE recede from House amendments and amend as follows**

- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Senators	4/19	4/20		Yes	No		Representatives	4/19	4/20		Yes	No
Senator Kilzer	✓	✓					Rep Kreidt	✓	✓			
Senator G. Lee	✓	✓					Rep Meier	✓	✓			
Senator Mathern	✓	✓					Rep. Holman	✓	✓			
Total Senate Vote							Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Title # _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4/19/2017
Roll Call Vote #: 1

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2004 as (re) engrossed

Senate Appropriations Committee

Action Taken

☐ **SENATE accede to House Amendments**
☐ **SENATE accede to House Amendments and further amend**
☐ **HOUSE recede from House amendments**
☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion to rescind the Meier amendment.

Motion Made by: Representative Kreidt Seconded by: Representative Meier

Senators				Yes	No		Representatives				Yes	No
Senator Kilzer				Y			Representative Kreidt				Y	
Senator G. Lee				Y			Representative Meier				Y	
Senator Mathern				Y			Representative Holman				Y	
Total Senate Vote				3	0		Total Rep. Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Title # _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4/19/2017
Roll Call Vote #: 2

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2004 as (re) engrossed

Senate Appropriations Committee

Action Taken

☐ **SENATE accede to House Amendments**
☐ **SENATE accede to House Amendments and further amend**
☐ **HOUSE recede from House amendments**
☐ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion to accept the language in the June Herman email for the Cardiac System of Care Taskforce

Motion Made by: Representative Kreidt Seconded by: Senator G. Lee

Senators				Yes	No	Representatives				Yes	No
Senator Kilzer				Y		Representative Kreidt				Y	
Senator G. Lee				Y		Representative Meier				Y	
Senator Mathern				Y		Representative Holman				Y	
Total Senate Vote				3	0	Total Rep. Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Title # _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4/19/2017
Roll Call Vote #: 3

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2004 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☒ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Further amending 17.0512.02010 (creating a new amendment)

Motion Made by: Representative Kreidt Seconded by: Senator G. Lee

Senators				Yes	No		Representatives				Yes	No
Senator Kilzer				Y			Representative Kreidt				Y	
Senator G. Lee				Y			Representative Meier				Y	
Senator Mathern				Y			Representative Holman				Y	
Total Senate Vote				3	0		Total Rep. Vote				3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier _____ House Carrier _____

LC Number _____ . _____ of amendment

LC Title # _____ . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Date: 4/20/2017
Roll Call Vote #: 1

2017 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2004 as (re) engrossed

Senate Appropriations Committee

Action Taken

- ☐ **SENATE accede to House Amendments**
- ☐ **SENATE accede to House Amendments and further amend**
- ☐ **HOUSE recede from House amendments**
- ☒ **HOUSE recede from House amendments and amend as follows**

☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion: to remove section 4 in amendment 17.0512.02010 and for the House to recede from the House amendments and further amend by adopting amendment 17.0512.02011.

Motion Made by: Representative Kreidt Seconded by: Representative Meier

Senators				Yes	No		Representatives				Yes	No
Senator Kilzer				Y			Representative Kreidt				Y	
Senator G. Lee				Y			Representative Meier				Y	
Senator Mathern					N		Representative Holman					N
Total Senate Vote				2	1		Total Rep. Vote				2	1

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier Senator Kilzer House Carrier Representative Kreidt

LC Number 17.0512 . 02011 of amendment

LC Title # 17.0512 . 04000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 17.0512.02011
Senate Carrier: Kilzer
House Carrier: Kreidt

REPORT OF CONFERENCE COMMITTEE

SB 2004, as engrossed: Your conference committee (Sens. Kilzer, G. Lee, Mathern and Reps. Kreidt, Meier, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1352-1356, adopt amendments as follows, and place SB 2004 on the Seventh order:

That the House recede from its amendments as printed on pages 1352-1356 of the Senate Journal and pages 1538-1542 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to authorize transfers; to provide statements of legislative intent; to provide for a report to the legislative management;"

Page 1, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$716,060	$63,521,978
Operating expenses	40,598,335	(2,784,050)	37,814,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,567,996	$200,074,418
Less estimated income	141,970,854	14,629,104	156,599,958
Total general fund	$48,535,568	($5,061,108)	$43,474,460
Full-time equivalent positions	365.00	(1.00)	364.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,007,440, of which $525,796 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 10. STATEMENT OF LEGISLATIVE INTENT - NEWBORN SCREENING - CARDIAC SYSTEM OF CARE TASK FORCE. It is the intent of the sixty-fifth legislative assembly that the state department of health's newborn screening program collaborate with the cardiac system of care task force to identify and provide critical congenital heart defect educational materials and algorithms for health care facilities and resources for parents and to explore options for data collection and analysis for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 11. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 12. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the

state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 15. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 16. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO THE LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 15"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$62,805,918	$64,416,107	($894,129)	$63,521,978	$63,249,821	$272,157
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Capital assets	2,895,232	3,446,740		3,446,740	3,446,740	
Grants	57,096,760	56,135,670	3,748,271	59,883,941	59,883,941	
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704	13,646,704	
WIC food payments	20,200,000	20,200,000		20,200,000	20,200,000	
Medical marijuana		6,236,376	(4,675,606)	1,560,770	1,560,770	
Total all funds	$190,506,422	$200,977,092	($902,674)	$200,074,418	$199,627,261	$447,157
Less estimated income	141,970,854	155,888,204	711,754	156,599,958	156,344,054	255,904
General fund	$48,535,568	$45,088,888	($1,614,428)	$43,474,460	$43,283,207	$191,253
FTE	365.00	377.00	(13.00)	364.00	362.00	2.00

Department No. 301 - State Department of Health - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 6 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagen Corporation Settlement Proceeds[6]
Salaries and wages	($93,585)	($800,544)				
Operating expenses			(675,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($115,900)	($800,544)	($675,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(58,973)	(324,808)	(540,000)	(3,707,563)	1,043,098	2,500,000
General fund	($56,927)	($475,736)	($135,000)	($946,765)	$0	$0
FTE	0.00	(6.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total Conference Committee Changes
Salaries and wages				($894,129)
Operating expenses				(580,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($902,674)
Less estimated income	300,000	500,000	1,000,000	711,754
General fund	$0	$0	$0	($1,614,428)
FTE	0.00	0.00	0.00	(13.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the House version.

[2] Six FTE positions are removed, including related funding for salaries and wages. The House removed 8 FTE positions and related funding.

[3] Funding for operating expenses is reduced agencywide. The House reduced funding for operating expenses agencywide by $850,000.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House and Senate and signed by the Governor, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund. This level of funding is the same as the House version.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department, the same as the House version.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to

emissions, the same as the House version. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants, the same as the House version.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation. The House provided the same level of funding for cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units, the same as the House version.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases, the same as the House version.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs, the same as the House version.
- Adds a section of legislative intent that North Dakota Century Code Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023, the same as the House version.
- Adds a section of legislative intent that the State Department of Health's newborn screening program collaborate with the cardiac system of care taskforce to provide congenital heart defect educational materials and to explore options for data collection and analysis. This section was not included in the House or Senate version.
- Adds sections to amend Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists, the same as the House version.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee to be transferred to the State Department of Health. The State Department of Health must have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health, the same as the House version.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management. This provision was included in the House version, but not the Senate version.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure, the same as the House version.

Engrossed SB 2004 was placed on the Seventh order of business on the calendar.

2017 TESTIMONY

SB 2004

Department 301 - State Department of Health
Senate Bill Nos. 2004 and 2064

Executive Budget Comparison to Prior Biennium Appropriations

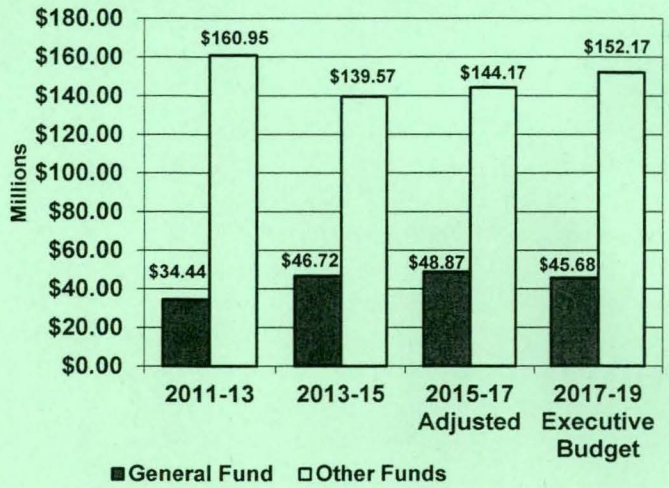
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	381.00	$45,677,051	$152,167,111	$197,844,162
2015-17 Adjusted Legislative Appropriations[1]	365.00	48,871,568	144,170,964	193,042,532
Increase (Decrease)	16.00	($3,194,517)	$7,996,147	$4,801,630

[1]The 2015-17 biennium agency appropriation amounts reflect distributions from the targeted market equity fund and general fund budget reductions and funding changes made in August 2016, but do not include additional special funds authority of $1,936,800 resulting from Emergency Commission action during the 2015-17 biennium.

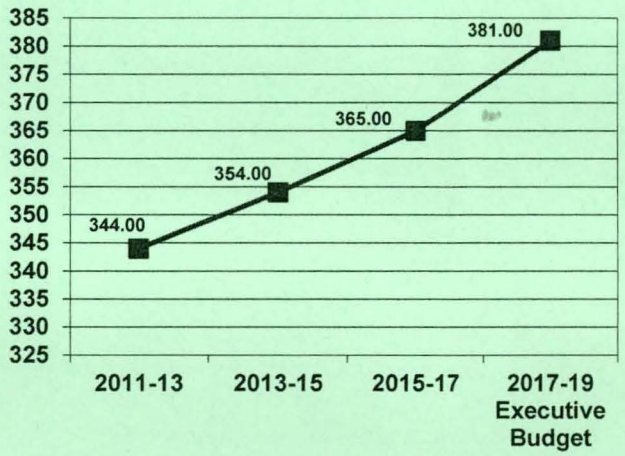
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	$45,677,051	$0	$45,677,051
2015-17 Adjusted Legislative Appropriations	48,535,568	336,000	48,871,568
Increase (Decrease)	($2,858,517)	($336,000)	($3,194,517)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Executive Budget	$45,677,051	$152,167,111	$197,844,162
2017-19 Base Level	48,535,568	141,970,854	190,506,422
Increase (Decrease)	($2,858,517)	$10,196,257	$7,337,740

Executive Budget Highlights

	General Fund	Other Funds	Total
Administrative support			
1. Provides funding for state employee salary and benefit increases, of which $30,136 is for salary increases, and $117,629 is for health insurance increases.	$140,493	$7,272	$147,765
2. Increases base payroll.	$100,386	$204,202	$304,588
3. Cost-to-continue program adjustments, including reductions in operating expenses ($124,988) and grants ($460,740).	$40,027	($625,755)	($585,728)
4. Base budget adjustments, including reductions in salaries and wages ($66,980) and grants ($90,160).	($438,699)	$281,559	($157,140)
5. Restores base budget funding for salaries and wages of $63,903 and operating expenses of $86,597 reduced due to August 2016 general fund budget reductions.	$150,500	$0	$150,500

6. Restores base budget funding for grants of $535,000 reduced due to August 2016 general fund budget reductions.	$535,000	$0	$535,000
7. Adjusts the funding source of grants to local public health units to provide a total of $4.25 million, the same as the 2015-17 biennium, of which $1 million is from the tobacco prevention and control trust fund.	($1,000,000)	$1,000,000	$0
8. Provides tobacco grants to local public health units from the tobacco prevention and control trust fund.	$0	$3,000,000	$3,000,000
9. Changes the funding source for the physician loan repayment program to provide $480,000 from the tobacco prevention and control trust fund, $27,800 less than the adjusted 2015-17 biennium appropriation.	($480,000)	$480,000	$0
10. Changes the funding source for the behavioral health loan repayment program to provide $243,640 from the tobacco prevention and control trust fund, $191,640 more than the 2015-17 biennium appropriation.	($243,640)	$243,640	$0
11. Removes funding for equipment over $5,000.	$0	($7,300)	($7,300)
Medical services			
12. Provides funding for state employee salary and benefit increases, of which $22,545 is for salary increases, and $105,891 is for health insurance increases.	$47,489	$80,947	$128,436
13. Increases base payroll.	$77,764	$171,555	$249,319
14. Cost-to-continue program adjustments, including increases in operating expenses of $491,209 and grants of $180,000.	$22,475	$648,734	$671,209
15. Base budget adjustments for salaries and wages.	($90,836)	$53,165	($37,671)
16. Restores base budget funding for salaries and wages of $18,247 reduced due to August 2016 general fund budget reductions.	$18,247	$0	$18,247
17. Base budget adjustment to operating expenses to discontinue the universal vaccine program.	($1,276,853)	$0	($1,276,853)
18. Adjusts funding for equipment over $5,000 to provide a total of $58,468 of other funds.	($10,000)	$58,468	($48,468)
19. Adjusts funding for bond and capital payments to provide a total of $231,288, of which $209,836 is from the general fund.	$492	($78)	$414
20. Removes funding for extraordinary repairs.	($19,820)	$0	($19,820)
Health resources			
21. Provides funding for state employee salary and benefit increases, of which $36,095 is for salary increases, and $145,962 is for health insurance increases.	$83,830	$98,227	$182,057
22. Increases base payroll.	$12,559	$6,977	$19,536
23. Cost-to-continue program adjustments to operating expenses.	($29,843)	$183,008	$153,165
24. Base budget adjustments, including reductions in salaries and wages ($69,917) and operating expenses ($79,853).	($169,918)	$20,148	($149,770)
25. Restores base budget funding for salaries and wages of $55,093 reduced due to August 2016 general fund budget reductions.	$55,093	$0	$55,093
26. Removes funding for equipment over $5,000.	$0	($10,000)	($10,000)
Community health			
27. Provides funding for state employee salary and benefit increases, of which $35,700 is for salary increases, and $159,274 is for health insurance increases. The increase to the tobacco prevention and control line item totals $17,721.	$81,002	$113,972	$194,974
28. Adjusts base payroll, including an increase in the tobacco prevention and control line item of $48,856.	$87,411	($234,563)	($147,152)
29. Cost-to-continue program adjustments, including reductions in operating expenses ($403,629), tobacco prevention and control ($1,278,993), and grants ($396,996).	$6	($2,079,624)	($2,079,618)

30. Base budget adjustments, including reductions in salaries and wages ($67,220), operating expenses ($36,400), and grants ($38,000).	($249,851)	$108,231	($141,620)
31. Restores base budget funding for salaries and wages of $83,387, operating expenses of $26,646, and grants of $30,000 reduced due to August 2016 general fund budget reductions.	$140,033	$0	$140,033
32. Adds funding for equipment over $5,000.	$0	$18,750	$18,750
33. Changes the funding source for cancer related programs to provide funding from the tobacco prevention and control trust fund.	($744,804)	$744,804	$0
34. Adds one-time funding from federal funds for the implementation of electronic benefit transfer for the women, infants, and children program, including salaries and wages of $110,000, operating expenses of $1,594,220, and grants of $35,000.	$0	$1,739,220	$1,739,220
Environmental health			
35. Provides funding for state employee salary and benefit increases, of which $125,851 is for salary increases, and $497,276 is for health insurance increases.	$271,632	$351,495	$623,127
36. Increases base payroll.	$428,053	$186,056	$614,109
37. Cost-to-continue program adjustments, including reductions in operating expenses ($17,491) and an increase in grants of $110,000.	$2,717	$89,792	$92,509
38. Base budget adjustments, including the removal of 1 FTE position and reductions in salaries and wages ($382,758) and operating expenses ($79,897).	($807,810)	$345,155	($462,655)
39. Restores base budget funding for salaries and wages of $214,991 and operating expenses of $53,000 reduced due to August 2016 general fund budget reductions.	$267,991	$0	$267,991
40. Adjusts funding for equipment over $5,000 to provide a total of $1,073,295 of other funds.	$0	$63,173	$63,173
41. Adjusts funding for bond and capital payments to provide a total of $405,589, of which $246,095 is from the general fund.	($896)	($581)	($1,477)
42. Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund.	$2,093	($18,093)	($16,000)
43. Changes the funding source for federal Environmental Protection Agency litigation to provide funding from the strategic investment and improvements fund.	($500,000)	$500,000	$0
Emergency preparedness and response			
44. Provides funding for state employee salary and benefit increases, of which $9,767 is for salary increases, and $62,964 is for health insurance increases.	$45,337	$27,394	$72,731
45. Increases base payroll.	$64,683	$70,528	$135,211
46. Cost-to-continue program adjustments, including reductions in operating expenses ($2,514,203) and grants ($1,373,378).	$65,215	($3,952,796)	($3,887,581)
47. Base budget adjustments, including reductions in salaries and wages ($18,755), operating expenses ($175,400), and grants ($72,816).	($263,828)	($3,143)	($266,971)
48. Restores base budget funding for salaries and wages of $7,806 and operating expenses of $200,000 reduced due to August 2016 general fund budget reductions.	$207,806	$0	$207,806
49. Adjusts funding for equipment over $5,000 to provide a total of $1,359,000 of other funds.	$0	$718,321	$718,321
50. Removes funding provided for capital payments during the 2015-17 biennium.	$0	($243,021)	($243,021)
51. Changes the funding source for stroke and cardiac care programs to provide funding from the tobacco prevention and control trust fund.	($756,418)	$756,418	$0

52. Reduces funding for rural emergency medical services operations grants to provide a total of $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund.	($441,550)	$0	($441,550)
53. Reduces funding for rural emergency medical services training grants to provide a total of $846,000 from the general fund.	($94,000)	$0	($94,000)
54. Restores base budget funding for stroke registry grants reduced due to August 2016 general fund budget reductions.	$116,550	$0	$116,550
Medical marijuana			
55. Provides funding for state employee salary and benefit increases, of which $8,990 is for salary increases, and $48,654 is for health insurance increases.	$57,644	$0	$57,644
56. Adds funding to establish a Medical Marijuana Division, including 17 FTE positions and related salaries and wages of $2,266,471 and operating expenses of $3,535,626, of which $3,802,097 is provided from the compassionate care fund.	$2,000,000	$3,802,097	$5,802,097
57. Adds one-time funding from the compassionate care fund for medical marijuana regulation, including information technology equipment, office equipment, other capital payments, and information technology equipment over $5,000.	$0	$1,197,903	$1,197,903

Other Bill Sections Recommended to be Added in the Executive Budget (As Detailed in Senate Bill No. 2064)

Environment and rangeland protection fund - Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.

Insurance tax distribution fund - Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, the department's base budget includes $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.

Strategic investment and improvements fund - Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, Governor Dalrymple's budget address indicated the executive recommendation includes $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund.

Emergency - Section 6 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.

Continuing Appropriations

Combined purchasing with local public health units - North Dakota Century Code Section 23-01-28 - Allows the State Department of Health to assist the local health units to purchase vaccines. Vaccines are not always available to local health units so it is necessary for the State Department of Health to purchase the vaccine and request the payment from the local health units. When the vaccines are delivered and payment is received, the net effect is zero.

Environmental quality restoration fund - Sections 23-31-01 and 23-31-02 - Allows the State Department of Health to provide immediate and timely response to catastrophic events that threaten the public and environmental health and when the responsible party is late in responding or cannot be located.

Organ tissue transplant fund - Sections 23-01-05.1 and 57-38-35.1 - Provides financial assistance to organ or tissue transplant patients who are residents of North Dakota and demonstrate financial need. Tax refunds of less than $5 are transferred to the organ tissue transplant fund. The State Health Officer is responsible for adopting rules and administering the fund, and the Tax Department collects the funds.

Veterinarian and dental loan repayment - Sections 43-29.1-08 and 43-28.1-09 - The Health Council may accept any conditional or unconditional gifts, grants, or donations for the purpose of providing funds for the repayment of veterinarians' education loans or dentists' education loans. All money received as gifts, grants, or donations under these sections is appropriated as a continuing appropriation to the Health Council for the purpose of providing funds for the repayment of additional veterinarians' or dentists' education loans. If an entity desires to provide funds to the Health Council to allow an expansion of the program beyond three veterinarians or dentists, the entity must fully fund the expansion for a period of 4 years.

Deficiency Appropriation

Environmental Protection Agency lawsuit - House Bill No. 1024 contains a deficiency appropriation of $250,000 from the strategic investment and improvements fund for a shortfall in the local public health vaccine purchasing program.

Significant Audit Findings

There were no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1035 - Changes the dental loan repayment program to provide for a prorated payback of loan repayment funds if a dentist breaches the loan repayment contract.

House Bill No. 1187 - Relates to the medical food program for phenylketonuria or maple syrup urine disease.

House Bill No. 1209 - Establishes a separate Department of Environmental Quality to assume certain powers and duties of the State Department of Health.

House Bill No. 1210 - Requires the State Department of Health to establish a cardiac ready community grant program.

Senate Bill No. 2034 - Creates a new chapter of Century Code to provide for a nursing faculty student loan repayment program. A fiscal note prepared by the department indicated there is no fiscal impact for the loan repayment contracts. The administrative work for this added program would be handled within the department's current budget when funding is appropriated for the loan repayment contracts.

Senate Bill No. 2084 - Removes funding for the Tobacco Prevention and Control Advisory Committee and amends Section 23-12-10.4(2) to provide the owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by Chapter 23-12 may request signage that meets the requirements of the section from the State Department of Health rather than the Tobacco Prevention and Control Advisory Committee.

Senate Bill No. 2099 - This bill modifies language relating to the immunization program and also eliminates language that permits the department to supply vaccines to insured children using a general fund appropriation on behalf of the local public health units for those under age 19. Funding for the immunization program was removed in the executive recommendation for the department.

Senate Bill No. 2154 - Suspends the provisions of Chapter 19-24, the North Dakota Compassionate Care Act, relating to issuance of applications by the State Department of Health, receipt by the department of applications for registration, and the duty of the department to issue certificates.

State Department of Health - Budget No. 301
Senate Bill Nos. 2004 and 2064
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422
2017-19 Ongoing Funding Changes				
Base payroll changes		$770,856	$404,755	$1,175,611
Salary increase - Performance		139,144	129,940	269,084
Health insurance increase		588,283	549,367	1,137,650
Restores base budget reductions due to allotment		3,012,391		3,012,391
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412
Adjusts funding source for grants to local public health units		(1,000,000)	1,000,000	0
Increases funding for grants to local public health units			3,000,000	3,000,000
Adjusts funding source for cancer programs		(744,804)	744,804	0
Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0
Reduces funding for rural EMS grants		(467,820)		(467,820)
Reduces funding for EMS training grants		(94,000)		(94,000)
Adds funding and FTE positions for Medical Marijuana Division	17.00	2,000,000	3,802,097	5,802,097
Total ongoing funding changes	16.00	($2,858,517)	$7,259,134	$4,400,617
One-time funding items				
Adds women, infants and children program			$1,739,220	$1,739,220
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123
Total Changes to Base Level Funding	16.00	($2,858,517)	$10,196,257	$7,337,740
2017-19 Total Funding	381.00	$45,677,051	$152,167,111	$197,844,162

Other Sections in State Department of Health - Budget No. 301

Other Sections in State Department of Health - Budget No. 301

	Executive Budget Recommendation
Environment and rangeland protection fund	Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.
Insurance tax distribution fund	Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, the department's base budget includes $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.
Strategic investment and improvements fund	Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, Governor Dalrymple's budget address indicated the executive recommendation includes $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund.
Emergency	Section 6 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.

Department 301 - State Department of Health

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments

(As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	$51,910,238	$336,000	$52,246,238
General fund reductions	(3,374,670)	0	(3,374,670)
Adjusted 2015-17 appropriations	$48,535,568	$336,000	$48,871,568
Executive Budget changes	(2,858,517)	(336,000)	(3,194,517)
2017-19 Executive Budget	$45,677,051	$0	$45,677,051

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Salaries and wages saving related to turnover, limiting 2nd year increases, and adjusting the funding source to special funds	($443,427)	$0	($443,427)
Savings related to discontinuing the immunization program	(1,700,000)	0	(1,700,000)
Operating expense savings related to reductions in travel, professional fees, and adjusting the funding source for certain expenses	(366,243)	0	(366,243)
Savings related to reductions in funding for grants	(865,000)	0	(865,000)
Total reductions	($3,374,670)	$0	($3,374,670)
Percentage reduction to ongoing and one-time general fund appropriations	6.50%	0.00%	6.46%

2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Provides funding for state employee salary and benefit increases, of which $269,084 is for salary increases, and $1,137,650 is for health insurance increases	$727,427	$0	$727,427
Increases base payroll	408,577	0	408,577
Cost-to-continue program adjustments	100,597	0	100,597
Base budget reductions	(2,020,942)	1,491,220	(529,722)
Adjusts the funding source of grants to local public health units	(1,000,000)	0	(1,000,000)
Changes the funding source for the physician loan repayment program	(480,000)	0	(480,000)
Changes the funding source for the behavioral health loan repayment program	(243,640)	0	(243,640)
Base budget adjustment to operating expenses to discontinue the universal vaccine program	(2,976,853)	1,700,000	(1,276,853)
Adjusts funding equipment over $5,000	(10,000)	0	(10,000)
Adjusts funding for bond and capital payments	(404)	0	(404)
Adjusts funding for extraordinary repairs	(17,727)	0	(17,727)
Changes the funding source for cancer related programs to provide funding from the tobacco prevention and control trust fund	(744,804)	0	(744,804)
Changes the funding source for federal Environmental Protection Agency litigation to provide funding from the strategic investment and improvements fund	(500,000)	0	(500,000)
Changes the funding source for stroke and cardiac care programs to provide funding from the tobacco prevention and control trust fund	(756,418)	0	(756,418)

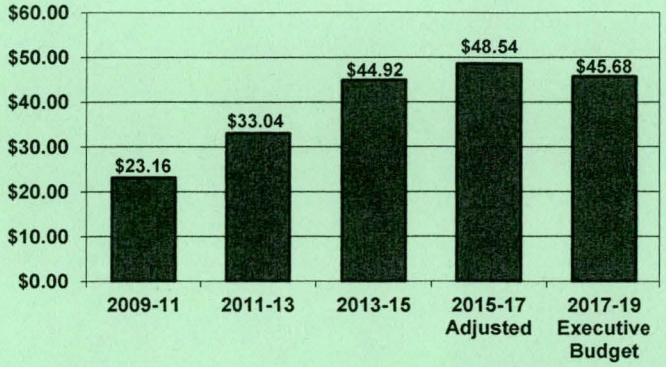
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Reduces funding for rural emergency medical services operations grants	(625,000)	183,450	(441,550)
Reduces funding for rural emergency medical services training grants	(94,000)	0	(94,000)
Adds funding to establish a Medical Marijuana Division	2,000,000	0	2,000,000
Total	($6,233,187)	$3,374,670	(2,858,517)

Department 301 - State Department of Health

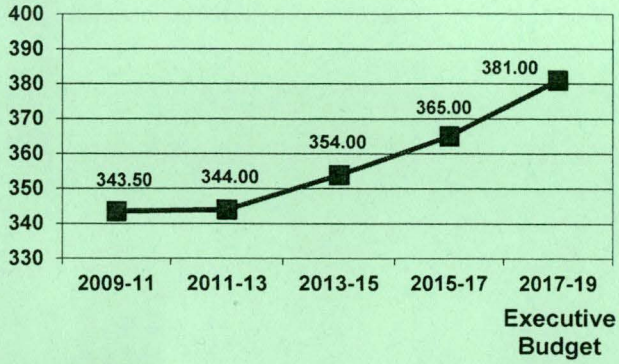
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	$23,155,294	$33,039,780	$44,921,508	$48,535,568	$45,677,051
Increase (decrease) from previous biennium	N/A	$9,884,486	$11,881,728	$3,614,060	($2,858,517)
Percentage increase (decrease) from previous biennium	N/A	42.7%	36.0%	8.0%	(5.9%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	42.7%	94.0%	109.6%	97.3%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

1. Increased funding for the domestic violence and rape crisis program grants to provide $1.7 million. $1,000,000
2. Removed 1 FTE position for injury prevention, but did not remove the funding and provided the department may transfer 1 FTE position from tobacco prevention.
3. Provided funding for prenatal alcohol screening and intervention grants. $388,458
4. Increased funding for suicide prevention and early intervention, including temporary salaries and wages ($118,751), operating costs ($172,742), and grants ($450,000). Funding from the general fund for grants totals $700,000. $741,493
5. Increased funding from the general fund for state stroke registry operating expenses ($78,500) and grants ($172,200) to replace funding from the community health trust fund during the 2009-11 biennium and to provide for a total of $473,324. $473,324
6. Increased grants to local public health units to provide a total of $3 million from the general fund. $600,000
7. Increased funding for colorectal cancer screening grants and replaces funding from the community health trust fund during the 2009-11 biennium to provide for a total of $477,600, all of which is from the general fund. $477,600
8. Added funding for grants to continue the Safe Havens supervised visitation and exchange program. $425,000
9. Added funding to provide for a public water system operator certification and training program and to reimburse operators of eligible public water systems in communities with a population of 3,300 or less for certification and training expenses. $180,000
10. Added funding for state assistance grants to emergency medical services operations and related administrative costs. $3,000,000
11. Added funding for the State Department of Health to purchase vaccines through the federal vaccine purchasing contract. $1,500,000

2013-15 Biennium

1. Added funding for 1 FTE position and related operating expenses to establish and administer an autism spectrum disorder database. $235,732

2. Increased funding for local public health units to provide a total of $4 million from the general fund to be distributed statewide.	$1,000,000
3. Increased funding for the universal vaccine program to provide a total of $2.5 million from the general fund.	$1,000,000
4. Added funding for a loan repayment program for dentists who practice in a public setting or nonprofit dental clinic using a sliding fee scale schedule to bill patients.	$180,000
5. Added funding for recommended followup colorectal screenings to provide a total of $762,800 from the general fund for the colorectal screening initiative.	$285,200
6. Added funding for FTE positions ($1,137,068) in air quality (1 FTE position), municipal facilities (3 FTE positions), waste management (1 FTE position), and water quality (3 FTE positions) to meet increased demands in the oil-impacted areas, including operating expenses ($602,963) and equipment over $5,000 ($272,000).	$1,409,382
7. Increased funding for operating costs.	$257,803
8. Added funding for 1 FTE position ($135,000) to implement a community paramedic/community health care worker pilot project, including funding of $141,600 for educational startup costs.	$276,600
9. Increased funding for rural emergency medical services grants to provide a total of $7.34 million, of which $1.25 million is from the insurance tax distribution fund.	$2,150,000
10. Increased the veterinarian loan program to provide $485,000 from the general fund.	$350,000
11. Increased funding for the medical personnel loan repayment program to provide $576,788 from the general fund.	$231,788
12. Increased funding for continued implementation of the statewide integrated stroke system of care to provide a total of $856,324 from the general fund.	$383,000
13. Increased funding for the comprehensive state trauma system to provide a total of $432,000 from the general fund.	$332,000

2015-17 Biennium (Original Amounts)

1. Increased funding for the universal vaccine program by $576,853 to provide a total of $3,076,853 from the general fund. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$576,853
2. Added funding to contract with the University of North Dakota School of Medicine and Health Sciences to provide a total of $480,000 from the general fund to perform autopsies in the eastern part of the state, the same as the 2013-15 biennium appropriation. In addition, $160,000 from the general fund was added to the budget of the University of North Dakota School of Medicine and Health Sciences for Department of Pathology services to provide a total of $640,000 from the general fund, $160,000 more than the 2013-15 biennium.	480,000
3. Added funding for costs related to the Environmental Protection Agency lawsuit.	$500,000
4. Added funding for 1 food and lodging inspector FTE position, including salaries and wages and operating expenses.	$149,975
5. Added funding for 10 FTE positions in the Environmental Health section, including air quality (3 FTE positions), municipal facilities (2 FTE positions), waste management (2 FTE positions), and water quality (3 FTE positions) to meet increased demands in oil-impacted areas, including salaries and wages ($1,388,986) and operating expenses ($315,518).	$1,204,494
6. Increased funding for the medical loan repayment program to provide a total of $698,800 from the general fund. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$122,012
7. Increased funding for grants to local public health units to provide a total of $4.25 million from the general fund. In addition, House Bill No. 1176 provides $2 million from the oil and gas impact grant fund for grants to local district health units that are located in oil-producing counties to address the effects of oil and gas-related development activities.	$250,000
8. Increased funding for rural emergency medical services (EMS) grants to provide a total of $8.44 million, of which $1.25 million is from the insurance tax distribution fund and $7.19 million is from the general fund. Funding is provided for training grants ($940,000) and rural EMS grants ($7.5 million). In addition, a section is added to provide that of the $7.5 million provided for rural EMS grants, at least 85 percent be distributed to EMS providers that do not receive oil impact grant funding. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$1,100,000
9. Increased funding for domestic violence and rape crisis program grants to provide a total of $2.25 million, of which $1.91 million is from the general fund and $340,000 is from special funds. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$200,000

2017-19 Biennium (Executive Budget Recommendation)

1. Adjusts the funding source of grants to local public health units to provide a total of $4.25 million, the same as last biennium, of which $1 million is from the tobacco prevention and control trust fund.	($1,000,000)
2. Changes the funding source for the physician loan repayment program to provide $480,000 from the tobacco prevention and control trust fund.	($480,000)
3. Changes the funding source for the behavioral health loan repayment program to provide $243,640 from the tobacco prevention and control trust fund.	($243,640)
4. Base budget adjustment to operating expenses to discontinue the universal vaccine program.	($1,276,853)
5. Changes the funding source for cancer related programs to provide funding from the tobacco prevention and control trust fund.	($744,804)
6. Changes the funding source for federal Environmental Protection Agency litigation to provide funding from the strategic investment and improvements fund.	($500,000)
7. Changes the funding source for stroke and cardiac care programs to provide funding from the tobacco prevention and control trust fund.	($756,418)
8. Reduces funding for rural emergency medical services operations grants to provide a total of $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund.	($441,550)
9. Reduces funding for rural emergency medical services training grants to provide a total of $846,000 from the general fund.	($94,000)
10. Adds 17 FTE positions and related funding for a Medical Marijuana Division, including operating expenses and equipment.	$2,057,644

#1

P1

Testimony
Senate Bill 2004/2064
Senate Appropriations Committee
Thursday, January 12, 2017
North Dakota Department of Health

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee. My name is Arvy Smith and I am Acting Co-State Health Officer, along with Dave Glatt, of the North Dakota Department of Health (NDDoH). I am here today to testify in support of Senate Bill 2064.

Mission

The mission of the NDDoH is "to protect and enhance the health and safety of all North Dakotans and the environment in which we live."

To accomplish our mission, we focus on seven major goals. Each of our goals is supported by a list of objectives and outcome performance measures that help us assess our progress toward our goals. In our submitted budget document, we report our performance for each objective. On the following page is the department's strategic plan which details our mission, goals and objectives.

Department Overview

The department pursues its goals and objectives through six departmental sections:

- Administrative Support
- Community Health
- Emergency Preparedness and Response
- Health Resources
- Medical Services
- Environmental Health

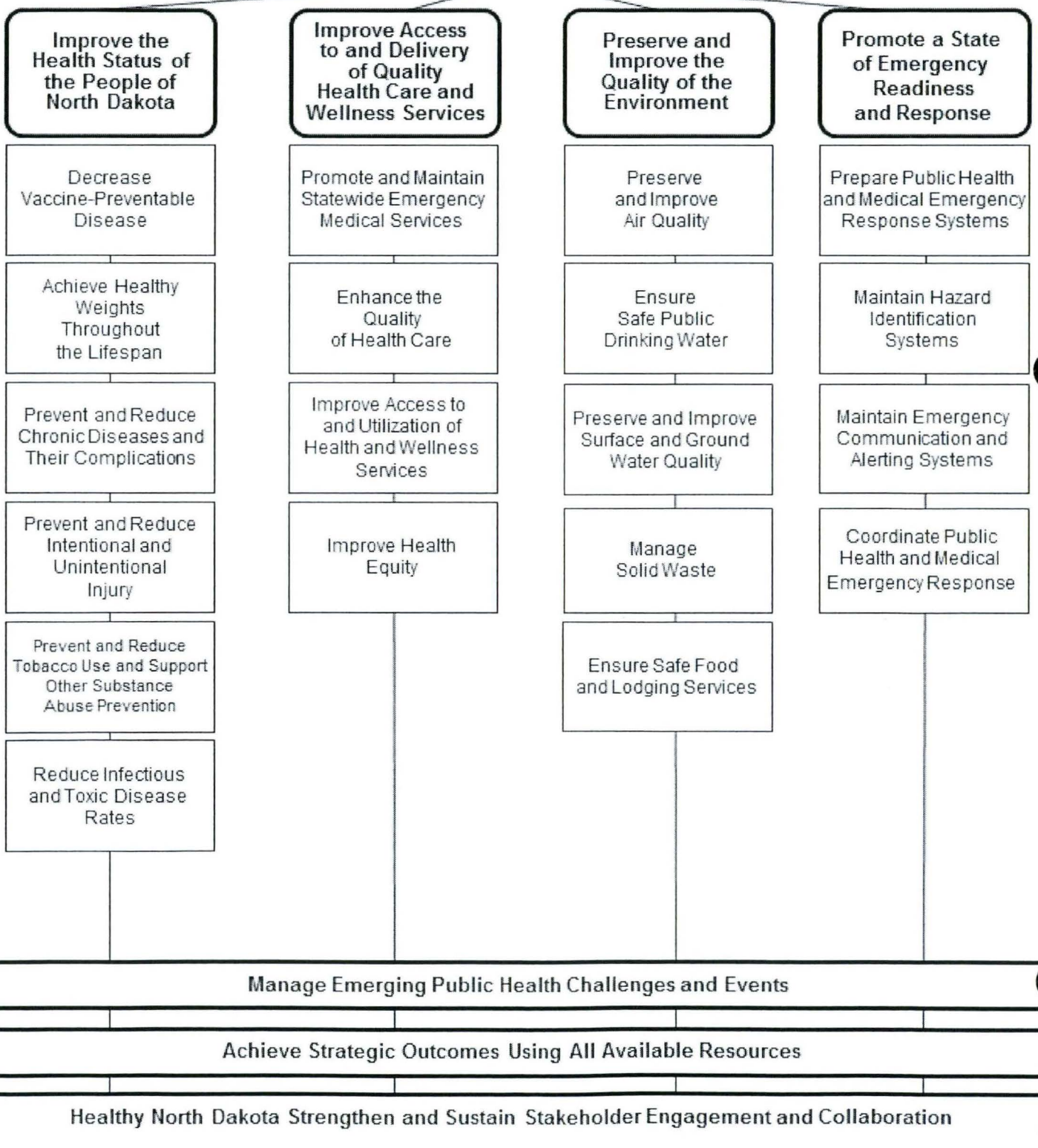
Each section is composed of several divisions that house the individual programs that carry out the work of the section. A copy of our organizational chart can be found at Appendix 1. Descriptions of the sections, divisions and programs are available in our biennial report on our website at ndhealth.gov.

NORTH DAKOTA DEPARTMENT of HEALTH

Strategic Plan: 2016 – 2020

MISSION:
Protect and Enhance the Health and Safety of All North Dakotans and the Environment in Which We Live

April 25, 2016



While most people know in general that public health is important, they are not always sure what public health is or how it affects their lives. In fact, the efforts of public health professionals touch the lives of every North Dakotan every day:

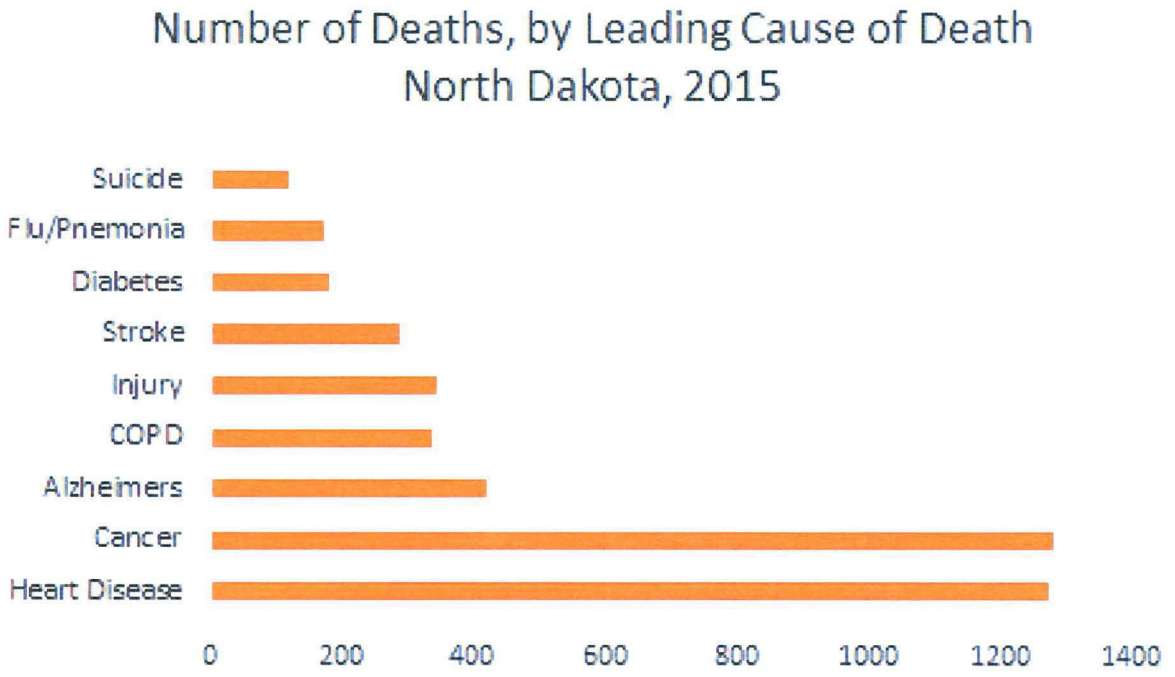
- Our **Environmental Health** section monitors the quality of North Dakota's air and water, ensuring that our environment provides us with a healthy basis for our lives.
- Our **Health Resources** section ensures that health facilities are safely and adequately serving residents and patients, and that food and lodging establishments meet all necessary safety requirements.
- Our division of **Disease Control** monitors infectious diseases, identifies and contains disease outbreaks, educates the public, and manages state vaccination data.
- Our **Community Health** section manages programs that help North Dakotans quit smoking; receive breast, cervical and colorectal cancer screening; improve diet and physical activity habits for management of chronic disease and improved quality of life; manage diabetes; care for children with special needs; maintain nutrition levels during pregnancy and the first years of a child's life; care for health needs of women, infants and children; and reduce injuries, suicide, and domestic and sexual violence
- Our **Emergency Preparedness and Response** section ensures that our public health system is prepared and able to respond to emergencies, such as Zika, floods, fires or tornados; that hospitals and health care facilities are prepared for emergencies; and that our ambulance services are meeting the needs of citizens and provide the best quality of care possible

Highlighted Accomplishments – Following are examples of things the department accomplished over the last biennium:

- The North Dakota tobacco quitline, NDQuits, has consistently achieved a seven-month post enrollment quit rate of 30%, which meets national standards. Nearly 5,500 people enrolled in NDQuits in FY 2016, 905 more than were enrolled in FY 2015.
- Infant and adolescent vaccination rates have consistently been above national vaccination rates since 2001. In 2015, infant rates were 80% compared to 72% for the U.S. and adolescent rates for tetanus, diphtheria, pertussis and meningitis were at 90%, slightly above the U.S. average. Efforts to Improve vaccination rates among school children have resulted in kindergarten vaccination rates increasing from 90% to 94%.
- A state medical cache, valued at $14.7 million has been accumulated and strategically placed throughout the state to be used by state and local government and the medical community to respond to emergencies. The cache consists of durable and disposable medical supplies, equipment and vehicles including pharmaceuticals, medical instruments, transport vehicles, medical shelters, trailers and tents, communications equipment, generators, and other emergency response items.
- Compliance rates for all environmental health regulatory programs have consistently exceeded national levels, even while responding to increased needs related to the energy industry.
- Through state loan repayment programs, 29 health professionals were placed in shortage areas around the state. Eleven of those 29 are behavioral health professionals. This is a significant increase from the 18 total positions that were supported in the last biennium.
- Suicide prevention funding of $840,000 was provided to various agencies, including schools, tribal organizations, social service agencies and medical agencies to work on suicide prevention efforts and early identification of suicidal thoughts.
- The Department continues to respond to newly emerging disease threats such as Ebola virus, Zika virus and newly emerging influenza viruses.

Overview of Health Statistics

In order to address public health concerns, we need to know the status of health across the state. As the chart below shows, the six most common causes of death in North Dakota are heart disease, cancer, Alzheimer's disease, chronic obstructive pulmonary disease, injury and stroke.



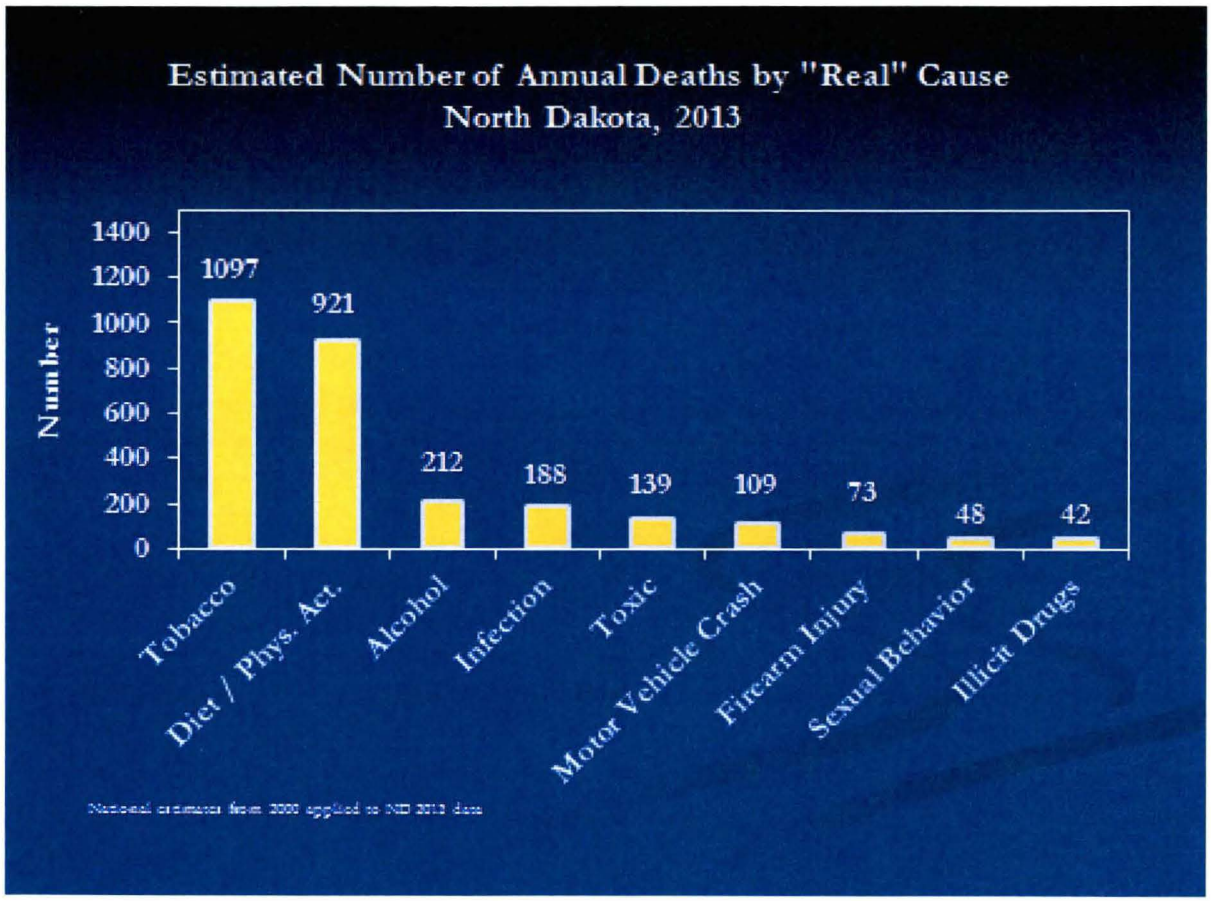
One way to look at the leading causes of death is by age group, as shown in the chart below. This information is important for policymakers, clinicians and public health professionals to develop age-appropriate health-related strategies to improve the health and wellness of all North Dakota citizens.

Unintentional injury accounts for the greatest number of deaths to people between the ages of 1 and 44. Suicide is the number two cause of death between the ages of 15 and 34. The diseases listed on the first graph, heart disease and cancer, don't become common killers until the middle of life, raising to the number one and two slots at 45 years and older.

Leading Causes of Death by Age
North Dakota 2013-2014

Less than 1	Age 1-4	Age 5-9	Age 10-14	Age 15-24	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
PRE-MATURITY 28	UNINT. INJURY 6	UNINT. INJURY 2	UNINT. INJURY 5	UNINT. INJURY 82	UNINT. INJURY 85	UNINT. INJURY 57	CANCER 145	HEART 260	HEART 2160
ANOMALY 26	RESPIRATORY DISEASE 1	CANCER 1	CANCER 1	SUICIDE 43	SUICIDE 52	SUICIDE 44	HEART 125	CANCER 449	CANCER 1876
PREG COMP 13	CANCER 1	ENDOCRINE DISEASE 1		CANCER 7	HEART 20	HEART 41	UNINT. INJURY 69	UNINT. INJURY 73	ALZHEIMER'S 856
UNINT. INJURY 3				HEART 4	CANCER 17	CANCER 31	SUICIDE 47	COPD 56	COPD 578
					CIRRHOSIS 11	CIRRHOSIS 20	CIRRHOSIS 42	DIABETES 48	STROKE 532
					HOMICIDE 11	DIABETES 11	STROKE 25	CIRRHOSIS 47	INFLUENZA/ PNEUMONIA 304

Public Health's primary mission is the prevention of the risk factors and behaviors that cause death and disease in North Dakota across the entire age spectrum of the whole population. The next slide shows the underlying risk factors that lead to disease in North Dakota. As you can see, tobacco remains the number one risk factor associated with various cancers and cardiovascular disease, followed closely by poor diets and lack of physical activity, which are associated with diabetes, heart disease, stroke and some cancer.



One avenue to reach significant numbers of people and change risky behaviors is through worksites and schools in North Dakota. Consistent messages for parents at their workplaces and for students in schools will reinforce and encourage healthy behaviors in our society. Healthy students are in a better position to learn, which will positively impact their lives, including their ability to find adequate employment in the workforce.

Recent Public Health Efforts

The Department of Health has spent significant effort in several areas since we last came before the legislature. Following are a few issues we think will continue to impact the health department into the next biennium.

- Response to Dakota Access Pipe Line (DAPL) – The department's role in DAPL is to provide or arrange for wrap around medical and food services to law enforcement working long hours at the forward operating base.
- Environmental energy issues and increasing federal regulations – While oil activity has declined in recent months, as you will hear from Dave Glatt a little later, there is still much work to be done by the Environmental Health Section to protect the state's environmental resources.
- Implementation of the medical marijuana program approved by voters in November, 2016 – The department is reviewing information from other states and model law developed by the National Conference of State Legislatures (NCSL) to implement effective processes to register, license, and regulate compassion centers, caregivers and patients on the use of marijuana for medical purposes in the state.
- Data use, security, and redundancy – With the publicity of numerous data breaches in the country, the department created an inventory of all data applications and evaluated each for sensitivity, vulnerability, criticality and risk and is busy making improvements to security and back-up where necessary.
- Over the last two years the department has worked to become accredited as a health department by the national Public Health Accreditation Board (PHAB). This has inspired us to become more effective in many areas of the work we do particularly through quality improvement initiatives. We hope to be accredited soon.
- Public Health/Primary Care Integration - In the broad field of health care, the two primary systems are the system of public health and the system of clinical health. Clinical health professionals are primarily trained to

diagnose and treat individuals with disease and in clinical settings while public health professionals work at the prevention end of the spectrum by influencing behavior that leads to disease. Both systems are important and can benefit from integration through collaboration and partnerships. Under the leadership of Dr. Dwelle, former State Health Officer, the department began efforts to engage the private sector in discussions to integrate processes to reduce tobacco use, address pre-diabetes and increase cancer screenings to fight against development of disease and other health problems of North Dakota. We plan to continue and expand this collaborative effort with our private sector partners.

Budget Overview

The total budget for the North Dakota Department of Health recommended by the governor for the 2017-19 biennium and included in Senate Bill 2064 is $197,844,162.

The recommended general fund budget is $45,677,051 (23%) of the executive budget. That is equivalent to $30 per capita per year. Federal funds are recommended at $118,990,680 (60%), and special funds at $33,176,431 (17%).

2015-17 Budget

The schedule at Attachment A of the financial attachments shows a summary of the 2015-17 legislatively approved budget, the budget reductions approved during the August 2016 special session, and other changes to arrive at the 2015-17 base level budget as presented in SB 2064.

Attachment B provides a detailed schedule of the budget reductions approved during the August 2016 special session. Of the $3,374,670 allotment, the most significant reduction was the change in vaccine funding at local public health units. As of July 1, 2016 the department discontinued using state general funding to purchase vaccines for insured children vaccinated at local public health units; local public health units began billing insurance for these vaccines and administrative costs. This saved $1,700,000 in the current biennium and $2,976,853 in the 2017-19 biennium. In addition, the department was able to shift $404,812 from general funding to federal funding or revenue from existing fees. Grants and contracts in various categories were reduced $990,000 mainly due to anticipated spending at amounts below what was budgeted. Finally, department employees did not receive 1% of the legislatively approved salary increase for July 1, 2016.

2015-17 Status of One-Time Funding

Environmental Health Equipment - $780,000

- Air Quality Monitoring Station budgeted at $180,000 special funds – equipment was received. Final cost was $129,448 special funds.
- Lab Equipment budgeted at $600,000 ($292,000 general fund, $186,000 federal funds, and $122,000 special funds) has been received and installed. The final cost was $382,869 ($292,000 general fund and $90,869 special funds).

Medical Services Digital X-ray Machine - $44,000

The digital X-ray machine was budgeted at $44,000 from the general fund. It was received in October 2015 at a final cost of $51,500.

WIC System Upgrade - $1,712,110

The federally funded WIC system upgrade was delayed until the 2017-19 biennium due to the need to first upgrade the current Management Information System (MIS). It was determined that the MIS was too outdated to handle electronic transfer of benefits. This funding will not be spent in the 2015-17 biennium.

2015-17 Estimated Spending

Estimated spending for the 2015-17 biennium will be within one percent of the state general fund appropriation and within approximately 5% of the federal fund appropriation. Special funding is running close to what was budgeted.

Approximately $6.3 million in budgeted federal spending will not occur as a result of not being awarded several federal grants we applied for. A portion of that may also be due to roll up from vacant positions. After the general fund allotment, we may see an additional $400,000 unspent general funding, approximately half of that from unexpended contracts in the colorectal cancer screening program and the other half from salary roll up. A new, effective, cheaper colorectal cancer screening process is available, resulting in less individuals receiving colonoscopies and reducing costs.

2017-19 Budget

Attachment C provides a summary of the department's 2017-19 budget request compared to the base level budget presented in Attachment B. Along with

several adjustments, the 10% budget reduction required by Governor Dalrymple is included in the summary and detailed on Attachment D.

Of the $5,154,975 reduction amount, $2,976,853 was to continue the change made July 1, 2016 regarding vaccine purchases for local public health units, $1,005,955 was due to funding shifts to federal funds or existing fee revenue, and one FTE was eliminated in Water Quality for $153,819. In addition, grant and contract reductions of $533,556 were made in various programs. Finally, holding back 1% of the July 1, 2016 increase generated $296,892 of the ten percent general fund reduction. Miscellaneous operating reductions were also taken.

2017-19 Optional Budget Requests

The department submitted one optional budget request to purchase a cyber risk insurance policy and to secure additional backup storage for critical applications run by the department. The policy was intended to provide access to professional assistance to help the department comply with applicable laws and regulations. The amount of the optional request was $400,000 with $325,000 from the general fund and $75,000 from federal funds. This request was not funded. However, HB 1088 has been introduced to address data breach response and remediation costs for state agencies.

2017-19 Executive Budget

Attachment E presents changes made to the department budget request to arrive at the executive budget request. Of the changes, $3,224,862 was a funding source shift from the general fund to the Tobacco Prevention and Control Trust Fund (TPCTF). An increase of $3,000,000 from the TPCTF was added for local public health unit tobacco prevention activities. A $500,000 shift from the general fund to the State Investment and Improvement Fund was made for the EPA lawsuit. To implement the mandate for a medical marijuana program in North Dakota, $7 million with $2,000,000 from the general fund and $5 million from fees along with 17.0 FTE was provided. EMS Rural Assistance Grants and EMS Training Grants were reduced $467,820 and $94,000, respectively, to reflect a 10% cut to each of these two programs.

Appendixes F, G, H and I contain pie charts showing the percentages of our budget by funding source, spending category, section by dollar amount and section by number of FTE.

The Community Health and the Environmental Health sections make up 62 percent of our total budget. The Environmental Health section employs almost half of our employees. Our administrative overhead is only 3.34 percent of our total budget.

A comparison of our overhead rates for the last several biennia is as follows:

2009-11	2011-13	2013-15	2015-17	2017-19
2.78%	3.57%	3.33%	3.32%	3.34%

Our overhead costs to administer around 100 different programs have remained low. These rates have held steady over the last several biennia.

A network of 28 local public health units and many other local entities provide a varying array of public health services with funding provided by the department. Some of the local public health units are multi-county, some are city/county and others are single-county health units. Other local entities providing public health services include domestic violence entities, family planning entities, Women, Infant and Children (WIC) sites and natural resource entities. Grants and contracts amounting to $78.3 million or 40 percent of our budget are passed through to the local public health units and other local entities to provide public health services. Approximately $23.4 million goes to local public health units, and $23.9million goes to other local entities. The remaining $31.0 million goes to state agencies, medical providers, tribal units and various other entities.

Salaries and Wages

Salaries and wages make up $64,811,889 or 33 percent of our budget. The increase to the salaries line item is the recommended salary package and the amount necessary to continue the second year of the 2015-17 biennium increases.

Operating Expenses

Our operating budget of $38,494,458 makes up 19 percent of our budget. Operating Expenses has been reduced as a result of the changes described earlier related to eliminating expenditures for federal grants that were not awarded and the 10% budget reduction.

Capital Assets

Capital assets of $3,446,740 make up only 2 percent of our total budget. The bond payment on our laboratory, the state morgue and a storage building, and equipment costing more than $5,000 make up a majority of this line item.

Grants

Grants, which are provided to many local entities across the state, are at $58,135,670 and make up 29 percent of our budget. The majority of grants are in the Community Health, Emergency Preparedness and Response, and Environmental Health Sections. Grants are up slightly as a result of the addition of TPCTF provided for LPHUs offset by reductions in federal funding anticipated and reductions made to EMS grants discussed earlier.

Special Line Items

There are three special line items included in the executive recommendation.

Tobacco Prevention and Control is at $5,697,761 or 3 percent of our budget. This line item is down by 18 percent due to a decrease in the federal grant. Note that overall the budget for tobacco prevention and control in the DoH budget is increasing as a result of the $3 million added to the grants line item for tobacco.

Special Supplemental Nutrition Program for Women, Infants and Children (WIC) Food Payments make up $20,200,000 or 10 percent of our budget. This is consistent with current usage. Administration by the local WIC sites is included in the grants line item.

The third special line item, medical marijuana, is budgeted at $7,057,644 and accounts for four percent of our budget.

2017-19 One-Time Funding Included in SB 2064

The executive budget includes $1,739,220 for the WIC program to convert the distribution of benefits from a paper process to an electronic benefit transfer. The funding for this change is supported by federal funding. The other one-time request of $1,197,903 is related to the Medical Marijuana program. The amount requested includes costs for the purchase of a system and software for the registration process for qualified patients and designated caregivers along with the inventory of the compassion centers, the estimated costs to prepare office space, and the purchase of one-time office equipment and computers. The funding for these costs will be supported by registration fees from the program.

Federal Funding Changes

As indicated earlier, 60 percent of the Department of Health budget comes from the federal government in the form of approximately 80 federal grants. Our budget request includes a decrease of just under $4.1 million in federal funding. The changes and impact are as follows:

- Administrative Support Section - the amount received for the federal State Loan Repayment Program decreased by $414,000 based on past loan activity. The department only extends repayment contracts to the extent of federal funding. This reduction is offset by an increase in the amount collected from the federal government for indirect costs of the department.
- Medical Services Section - Immunization funding has decreased by approximately $300,000 due to the completion of interoperability projects. This decrease is offset by increases in federal funding for Epidemiology and Lab Capacity (ELC) of $750,000, Medicaid funding to support HiTech Interoperability of $340,000 along with funding for Occupational Health Epidemiology of $200,000.
- Community Health Section - The net decrease in federal funding in this area is $1.5 million based on the following: Three federal grants totaling $3.6 million that were included in the 2015-17 biennium budget which we had anticipated receiving were not awarded to the department. Additionally, the CDC Tobacco grant funding decreased by $1.2 million. Grants and contracts and other operating expenses have been adjusted accordingly. To offset these decreases the budget includes increases in several other grants ranging from $200,000 to $600,000 for the biennium totaling approximately $3.3 million collectively. A schedule of these additional grant changes can be provided upon request.
- Environmental Health Section - While federal funding in this area overall decreased by $160,000, the funding from the EPA block grant decreased by almost $675,000 primarily due to less carryover funds being available. We are anticipating that future funding from this federal grant will continue to decrease resulting in little to no carryover. Operating expenses have been adjusted accordingly. This decrease in federal funds has been offset primarily by increases in the federal Clean Diesel grant and the ELC grant for the work performed at the State Laboratory.
- Emergency Prepared and Response Section - Federal funds decreased in this section by $3.2 million. A federal grant for $1.4 million we had anticipated receiving and included in the 2015-17 budget was not awarded. Funding of $1.5 million for Ebola was removed from the budget as a result of the completion of the grant activities. The remaining

reduction is a result of carryover funds from the Hospital Preparedness Program that have been expended and are no longer available. Expenditures have been adjusted accordingly.

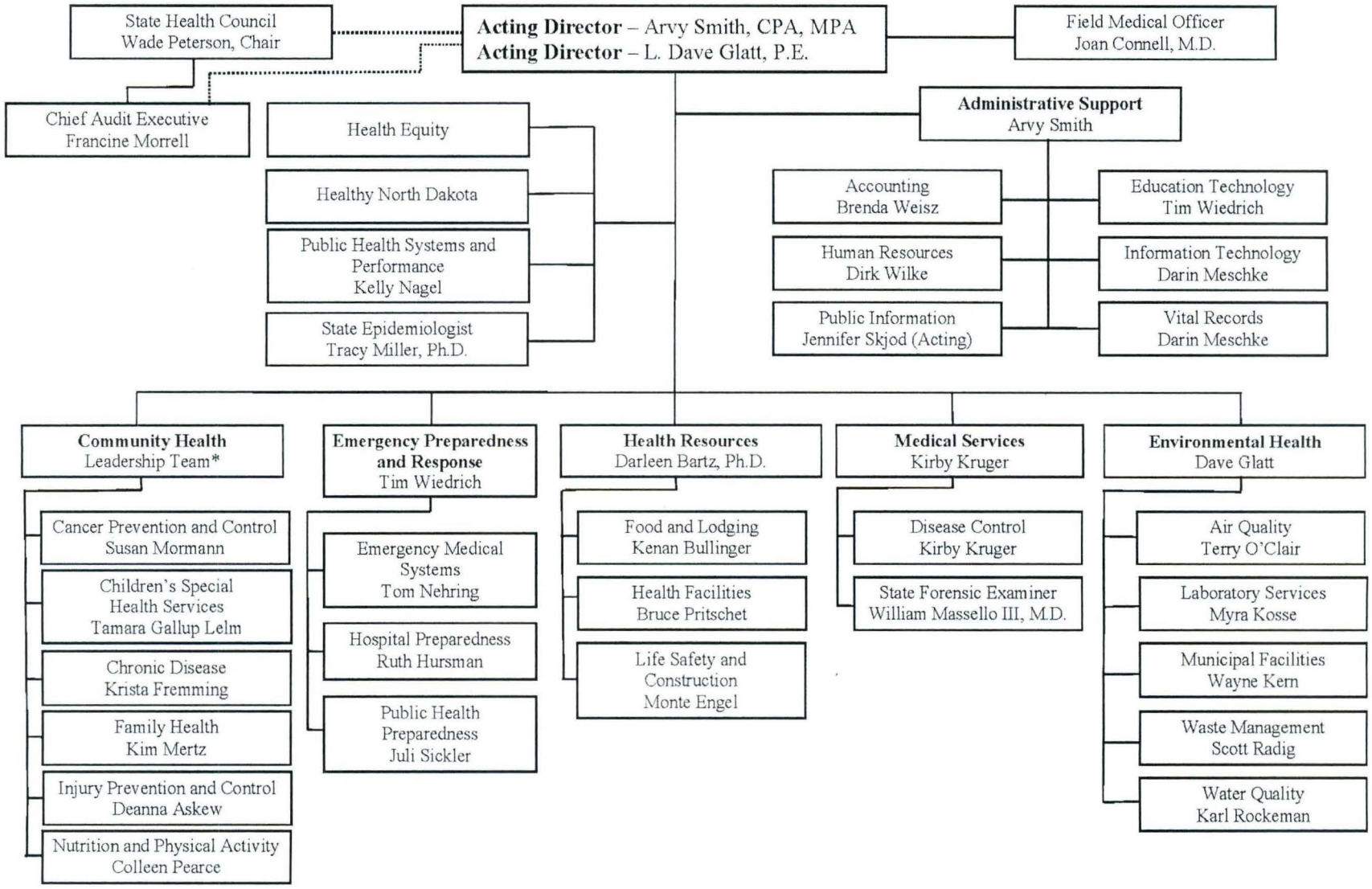
As in the past, the status of our federal funding is often uncertain. With that uncertainty, we prepared our budget by assuming that federal grant amounts will hold even, except as noted above. We recognize that as we proceed through the next biennium we will have to make adjustments to our budget, operations and possibly staffing if federal funding changes from the amounts included in our budget request.

Conclusion

Chairman Holmberg, members of the Committee, this concludes the department's testimony on Senate Bill 2064. I will now invite Dave Glatt, Acting Co State Health Officer and Environmental Health Section Chief to present to you a report regarding the environmental impacts in the western part of the state. After that our staff and I are available to respond to any questions you may have.

NORTH DAKOTA
DEPARTMENT of HEALTH

Organizational Chart
December 2016



*The six division directors share responsibility for management of the Community Health Section.

1-12-17 SB2004-2064 #2 P1

NORTH DAKOTA
DEPARTMENT *of* HEALTH

Testimony

SB 2004 / SB 2064

Senate Appropriations Committee

Financial Attachments

Thursday, January 12, 2017

Attachment A

Testimony
SB 2004 / SB 2064
Senate Appropriations Committee
Thursday, January 12, 2017
North Dakota Department of Health
2015 - 17 Base Level Budget

Description	2015-17 Legislatively Approved Budget	Add Equity Increases Incl in SB 2015	Allotment	Removal of One-time Items	Subtotal of Changes	2015 - 2017 Base Level Budget
Salaries & Wages	62,634,787	724,558	(443,427)	(110,000)	171,131	62,805,918
Operating Expenses	44,266,688		(2,066,243)	(1,602,110)	(3,668,353)	40,598,335
Capital Assets	3,719,232			(824,000)	(824,000)	2,895,232
Capital Assets Carryover (F&L IMS)	253,876			(253,876)	(253,876)	0
Grants	57,961,760		(865,000)		(865,000)	57,096,760
Tobacco Prevention & Control	6,910,177				0	6,910,177
WIC Food Payments	20,200,000				0	20,200,000
Medical Marijuana	0				0	0
Total	195,946,520	724,558	(3,374,670)	(2,789,986)	(5,440,098)	190,506,422
General Fund	51,521,680	724,558	(3,374,670)	(336,000)	(2,986,112)	48,535,568
Federal Funds	123,057,440			(1,945,986)	(1,945,986)	121,111,454
Special Funds	21,367,400			(508,000)	(508,000)	20,859,400
Total	195,946,520	724,558	(3,374,670)	(2,789,986)	(5,440,098)	190,506,422
FTE	365.0	0.0	0.0	0.0	0.0	365.0

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Attachment B

Testimony
SB 2004 / SB 2064
Senate Appropriations Committee
Thursday, January 12, 2017
North Dakota Department of Health
2015 - 17 Budget Allotment

Salaries / Wages		
Staff Turnover / Rollup	70,413	
Funding shifts		
Administrative Support	81,000	
Colorectal Cancer	68,354	
Environmental Health	75,215	
Hold back 1% of salary increase July 1, 2016	148,445	
Total Salaries / Wages		443,427
Operating		
Limit GF travel other operating reductions - AS	8,000	
Travel and other operating - EH	53,000	
Universal Vaccine	1,700,000	
Funding Shift - Colorectal Cancer	26,646	
Funding Shift - increase in indirect funds - Admin	78,597	
Professional Fees Stroke Registry, Trauma, Cardiac Care System	200,000	
Total Operating		2,066,243
Grants		
Domestic Violence	15,000	
Prenatel Alcohol Syndrome	15,000	
Rural EMS	183,450	
Stroke Registry	116,550	
Dental Loan Repayment	280,000	
Dental Loan Repayment funding shift	75,000	
Healthcare Professional Loan Repayment	139,000	
Veterinarian Loan Repayment	41,000	
Total Grants		865,000
Total Allotment		3,374,670

Attachment C

Testimony
SB 2004 / SB 2064
Senate Appropriations Committee
Thursday, January 12, 2017
North Dakota Department of Health
2017 - 19 Budget Request

		Base Budget Changes							
Description	2015 - 2017 Base Level Budget	Add Back Allotment	Base Payroll Changes	Costs to Continue	Net Changes to One Capital Items*	Add One Time WIC System	90% Budget Request	Total Changes to Base Level Budget	2017 - 19 Requested Budget
Salaries & Wages	62,805,918	443,427	764,476			110,000	(643,301)	674,602	63,480,520
Operating Expenses	40,598,335	2,066,243		(2,415,937)		1,594,220	(3,348,403)	(2,103,877)	38,494,458
Capital Assets	2,895,232				551,508			551,508	3,446,740
Capital Assets Carryover F&L IMS	0							0	0
Grants	57,096,760	865,000		(1,941,114)		35,000	(358,156)	(1,399,270)	55,697,490
Tobacco Prevention & Control	6,910,177		48,856	(1,278,993)				(1,230,137)	5,680,040
WIC Food Payments	20,200,000							0	20,200,000
Medical Marijuana	0							0	0
Total	190,506,422	3,374,670	813,332	(5,636,044)	551,508	1,739,220	(4,349,860)	(3,507,174)	186,999,248
General Fund	48,535,568	3,374,670	408,577	100,596	(28,131)		(5,154,975)	(1,299,263)	47,236,305
Federal Funds	121,111,454		399,115	(4,768,923)	(577,876)	1,739,220	535,147	(2,673,317)	118,438,137
Special Funds	20,859,400		5,640	(967,717)	1,157,515		269,968	465,406	21,324,806
Total	190,506,422	3,374,670	813,332	(5,636,044)	551,508	1,739,220	(4,349,860)	(3,507,174)	186,999,248
FTE	365.0	0.0	0.0	0.0	0.0	0.0	(1.0)	(1.0)	364.0

* - Includes Bond Payments, Extra Ordinary Repairs, Capital Payments, Equipment over $5,000.

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Testimony **Attachment D**

SB 2004 / SB 2064
Senate Appropriations Committee
Thursday, January 12, 2017
North Dakota Department of Health
2017 - 19 90% General Fund Request

Section \ Description	Amount
Administrative Services	
Hold back 1% of July 1, 2016 increase	(66,980)
Indirect Costs - increase in Federal / Other funds	(281,559)
Reduce extra for UND PCO contract	(50,000)
Loan Repayment obligation - hold even	(40,160)
Total	(438,699)
Medical Services	
Hold back 1% of July 1, 2016 increase	(36,494)
Universal Vaccine	(2,976,853)
Funding shift - increase in Federal funds	(54,342)
Total	(3,067,689)
Health Resources	
Hold back 1% of July 1, 2016 increase	(30,186)
Reduction in Travel	(79,853)
Funding shift - available Federal / Special funds	(59,879)
Total	(169,918)
Community Health	
Hold back 1% of July 1, 2016 increase	(30,066)
Colorectal Cancer - funding shift - federal funds available	(145,385)
Prenatal Alcohol Syndrome grant to UND	(38,000)
Miscellaneous operating (Injury - 11,400; CSHS - 25,000 media)	(36,400)
Total	(249,851)
Environmental Health	
Hold back 1% of July 1, 2016 increase	(117,554)
Miscellaneous operating	(71,647)
Funding shift for FTE in AQ - available Special funds	(31,044)
Remove 1.0 FTE in WQ - salaries and operating	(153,819)
Funding Shift for FTE in MF (SRF)	(202,323)
Funding Shift for FTE in WM (Radiation Fees)	(231,423)
Total	(807,810)
Emergency Preparedness and Response	
Hold back 1% of July 1, 2016 increase	(15,612)
Rural EMS Providers	(157,180)
Stroke grants / professional fees	(172,116)
Cardiac System of Care	(50,000)
Trauma	(8,850)
Community Paramedic / Legal/ Medical Direction - 5% each	(17,250)
Total	(421,008)
Overall reduction	**(5,154,975)**

Attachment E

Testimony
SB 2004 / SB 2064
Senate Appropriations Committee
Thursday, January 12, 2017
North Dakota Department of Health
2017 -19 Executive Budget

Description	2015-17 Base Level Budget	2017-19 Requested Budget	Funding Shift LPHU State Aid Fund #	LPHU - Tobacco Prevention #	Funding Shift - Cancer Programs #	Funding Shift - Stroke & Cardiac #	Funding Shift - Physician Loan Repymt #	Funding Shift - Behavioral Health Loan Repymt #	Subtotal Budget Changes
Salaries & Wages	62,805,918	63,480,520							0
Operating Expenses	40,598,335	38,494,458							0
Capital Assets	2,895,232	3,446,740							0
Capital Assets Carryover (F&L IMS)	0	0							0
Grants	57,096,760	55,697,490		3,000,000					3,000,000
Tobacco Prevention & Control	6,910,177	5,680,040							0
WIC Food Payments	20,200,000	20,200,000							0
Medical Marijuana	0	0							0
Total	190,506,422	186,999,248	0	3,000,000	0	0	0	0	3,000,000
General Fund	48,535,568	47,236,305	(1,000,000)		(744,804)	(756,418)	(480,000)	(243,640)	(3,224,862)
Federal Funds	121,111,454	118,438,137							0
Special Funds	20,859,400	21,324,806	1,000,000	3,000,000	744,804	756,418	480,000	243,640	6,224,862
Total	190,506,422	186,999,248	0	3,000,000	0	0	0	0	3,000,000
FTE	365.0	364.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Description	Subtotal Budget Changes	Funding Shift - EPA Lawsuit ##	Medical Marijuana	Executive Compensation Package	Reduce EMS Rural Asst	Reduce EMS Training Grants	Total Changes to Requested Budget	2017-19 Executive Recomm.	Total Changes to Base Level Budget
Salaries & Wages	0			1,331,369			1,331,369	64,811,889	2,005,971
Operating Expenses	0						0	38,494,458	(2,103,877)
Capital Assets	0						0	3,446,740	551,508
Capital Assets Carryover F&L IMS	0						0	0	0
Grants	3,000,000				(467,820)	(94,000)	2,438,180	58,135,670	1,038,910
Tobacco Prevention & Control	0			17,721			17,721	5,697,761	(1,212,416)
WIC Food Payments	0						0	20,200,000	0
Medical Marijuana	0		7,000,000	57,644			7,057,644	7,057,644	7,057,644
Total	3,000,000	0	7,000,000	1,406,734	(467,820)	(94,000)	10,844,914	197,844,162	7,337,740
General Fund	(3,224,862)	(500,000)	2,000,000	727,428	(467,820)	(94,000)	(1,559,254)	45,677,051	(2,858,517)
Federal Funds	0			552,543			552,543	118,990,680	(2,120,774)
Special Funds	6,224,862	500,000	5,000,000	126,763			11,851,625	33,176,431	12,317,031
Total	3,000,000	0	7,000,000	1,406,734	(467,820)	(94,000)	10,844,914	197,844,162	7,337,740
FTE	0.0	0.0	17.0	0.0	0.0	0.0	17.0	381.0	16.0

 # - Funding shift to Tobacco Prevention and Control Trust Fund
- Funding shift to the State Investment and Inprovement Fund

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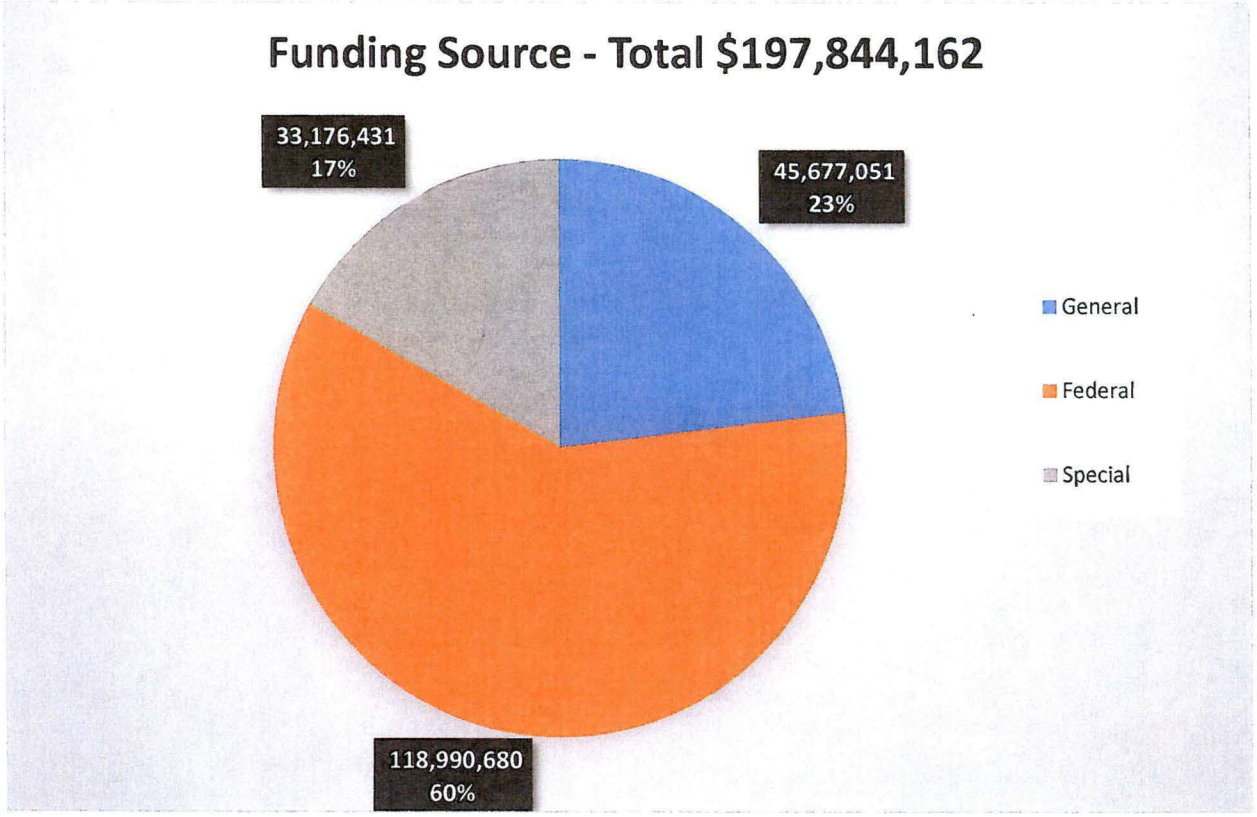
Attachment F

North Dakota Department of Health

Governor's Recommended Budget

2017-19 Biennium



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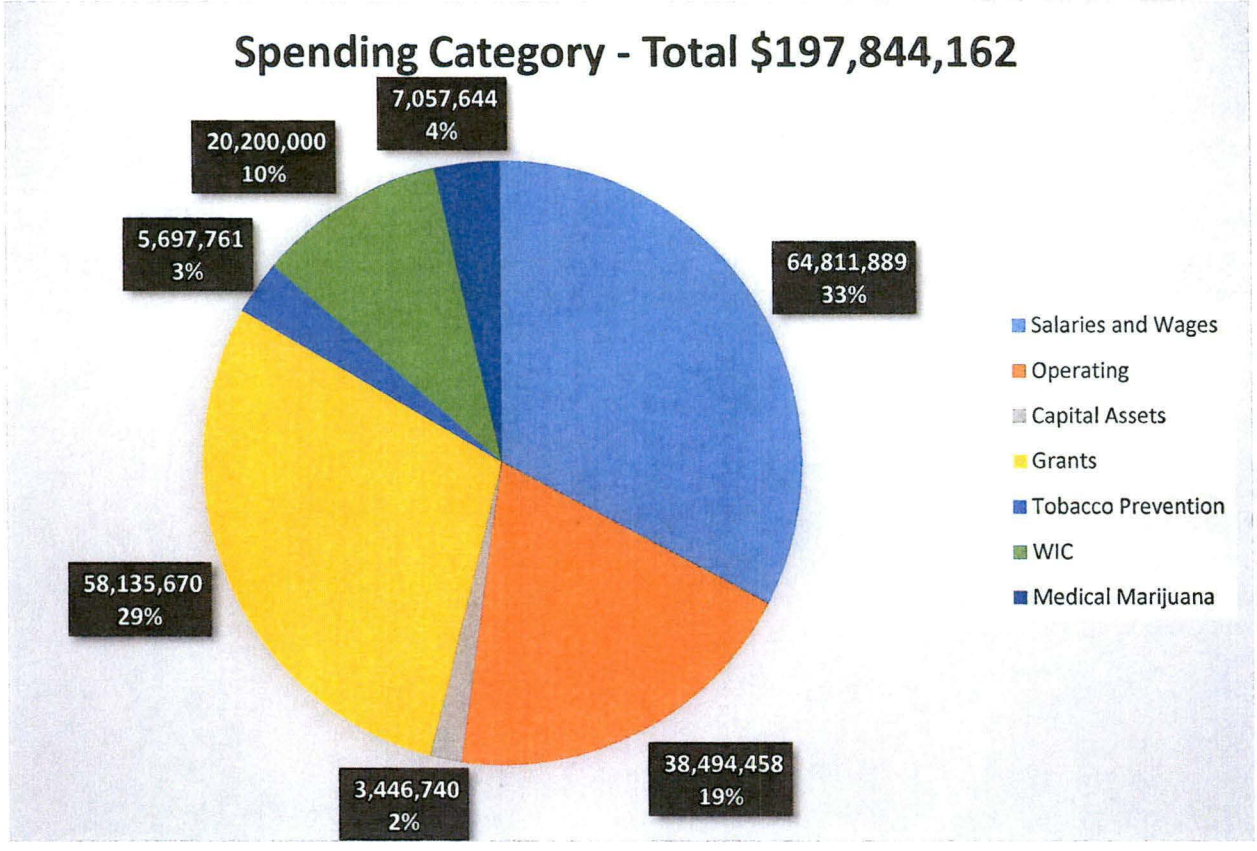
Attachment G

North Dakota Department of Health

Governor's Recommended Budget

2017-19 Biennium



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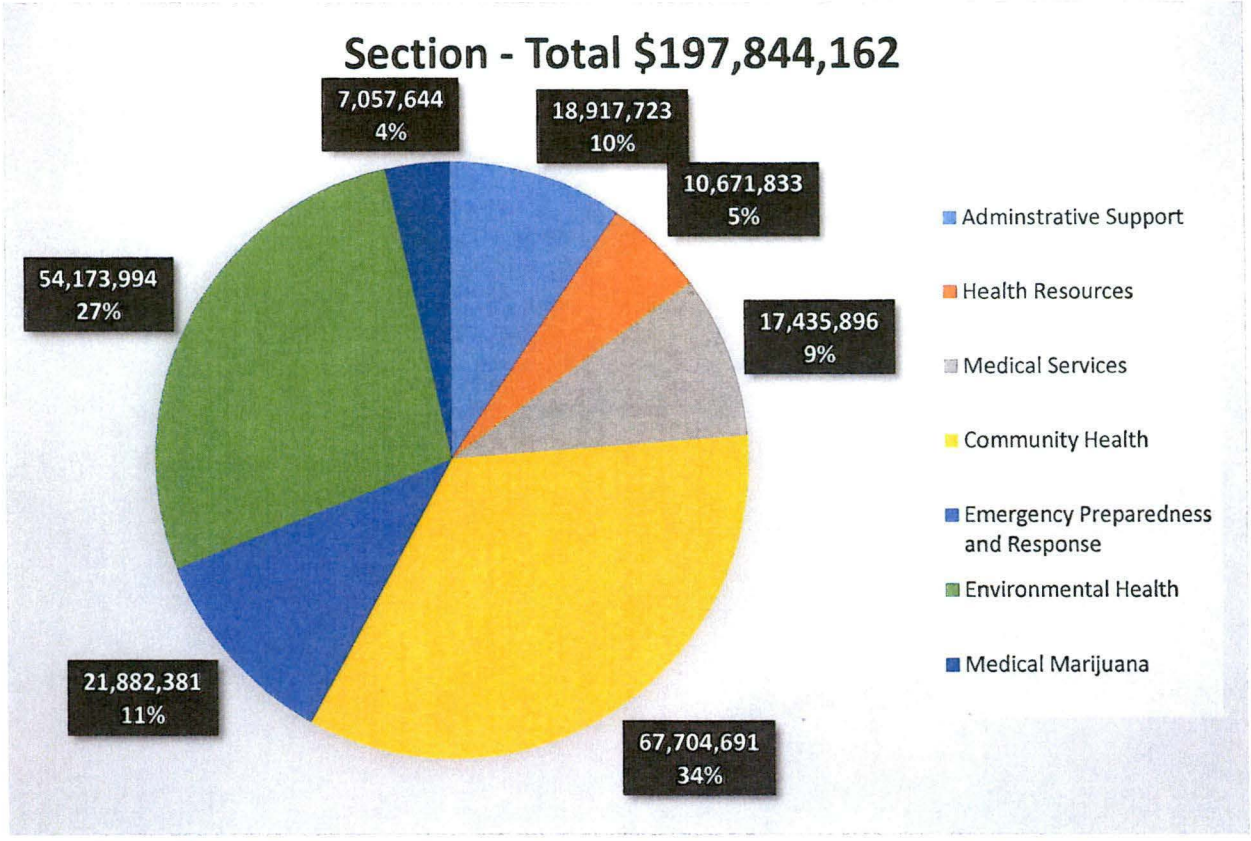
Attachment H

North Dakota Department of Health

Governor's Recommended Budget

2017-19 Biennium



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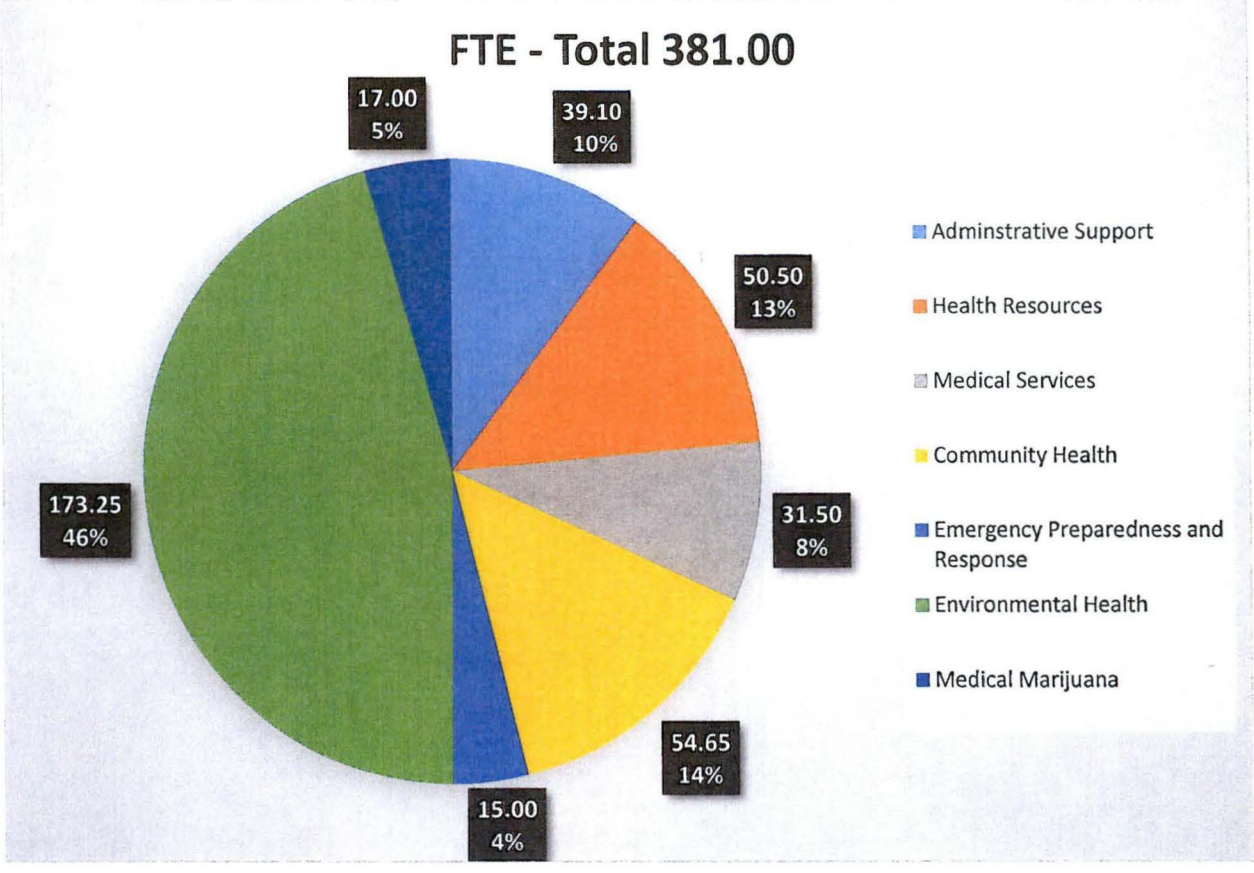
Attachment I

North Dakota Department of Health

Governor's Recommended Budget

2017-19 Biennium



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p1

Testimony
Senate Bill 2004 and Senate Bill 2064
Senate Appropriations Committee
January 12, 2017
Southwestern District Health Unit

Good morning, Chairman Holmberg and members of the Senate Appropriations Committee. My name is Sherry Adams and I am the Executive Officer for Southwestern District Health Unit. My health unit covers the eight counties of the Southwest which includes Adams, Billings, Golden Valley, Bowman, Slope, Dunn, Hettinger and Stark.

The number one priority for local public health units is to maintain our current State Aid Funding. Southwestern District Health Unit relies on State Aid Funding for a multitude of services which we provide to our communities. Some of the services and programs we offer include environmental health/sanitation, emergency preparedness, behavioral health, community health nursing, immunizations, communicable diseases, WIC and tobacco prevention and control. I also continue to see increased needs in our region resulting from oil. For example, when oil prices were higher, people had more money and were able to afford private health care. Today, we are seeing more need from clients who require public health services because they can't afford private health care.

As part of Governor Dalrymple's request to reduce budgets, the Department of Health discontinued universal vaccines to local public health units. The premise was that local public health units now have the ability to charge for the vaccines and administration. While that is true, the income has not outweighed the costs and the initial purchase needed for the vaccines was quite expensive. This created a large burden on many health units, including ours.

1-12-17-SB2004 & 2064

Additionally, in SB 2084 local public health units would also suffer a huge reduction in funding for tobacco prevention and control going from $8 million to the proposed $3 million. This would not only jeopardize a loss in funding, but it would also jeopardize the capability to maintain the program which is integral in reducing youth and adult rates of tobacco use. #3 P2

The priorities of Southwestern District Health Unit align very well with the North Dakota State Association of City and County Health Officials (ND SACCHO). A copy of those priorities is attached to my testimony. As you can see, we are not asking for additional funding, however, we hope that you will continue to fund local public health at the current level.

In summary, local public health units have already experienced several reductions in funding including some Federal grants, immunizations, donations and reimbursements. Additional reductions to State Aid or the tobacco prevention funding will likely result in decreased services or increase requests in mill levy.

Thank you for the opportunity to provide comments. I would be happy to answer any questions you may have.

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2064

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North Dakota State Association of City and County Health Officials (ND SACCHO)
2017 Legislative Priorities

State Aid Funding

The local public health units support continuation of State Aid Funding at current levels for all 28 local public health units. State Aid Funding allows for a multitude of services and is critical to meet the health needs of our communities. As part of Governor Dalrymple's request to reduce budgets, the Department of Health discontinued universal vaccines to local public health units effective July 1, 2016. The premise was that local public health units now have the ability to charge for the vaccines and administration. While that is true, the income has not outweighed the costs and the initial purchase needed for the vaccines was quite expensive. This created a large burden on many health units. Local health units have also experienced funding reductions through some Federal grants, Maternal and Child Health, immunizations and do not need to absorb further funding reductions.

Tobacco Prevention & Control Program Funding

Local health departments and other health organizations have partnered with BreatheND since 2008 to implement a **comprehensive statewide program** to educate and pass effective policies and implement interventions to prevent and reduce tobacco use in North Dakota.

Evidenced based tobacco prevention interventions focus on policy, systems and environmental change and include the following goals:

- Prevent the initiation of tobacco use among youth and young adults
- Eliminate exposure to secondhand smoke
- Promote quitting tobacco use
- Build capacity and infrastructure to implement a comprehensive program

These efforts are working. Youth smoking rates in North Dakota have dropped from **22.4%** in 2009 to **11.7%** in 2015, and adult smoking rates have dropped from **21.9%** in 2011 to **18.7%** in 2015.

Maintenance of this program and funding will be integral to further reducing youth and adult rates and providing tobacco-free environments.

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Medicaid Expansion

North Dakota approved Medicaid expansion during the 2014 legislative session. As of December 2015, approximately 20,000 North Dakota residents had enrolled in the Medicaid expansion program, some receiving health care coverage for the first time in their adult lives. The coverage allowed a previously uninsured population to receive preventive care such as colorectal and breast cancer screening, and treatment for deadly chronic conditions. Further, the expansion of Medicaid has led to a reduction in hospital admissions and expensive emergency room visits, and reduced uncompensated care provided at hospitals across North Dakota.

Prevention and early detection of behavioral health issues, including substance abuse, reduces the far-reaching societal costs of residents not receiving this care. **ND SACCHO supports the continuation of the Medicaid expansion program in North Dakota with dedicated general funds to meet the federal match required in federal fiscal year 2017.** This leverage of federal dollars has a multiplying effect on the economy of North Dakota, but more importantly, leads to better health and productivity among residents.

Behavioral Health

ND SACCHO and the North Dakota Public Health Association support improvements to the behavioral health system in North Dakota that will **improve access to behavioral health and substance abuse treatment services.**

We support efforts to increase the behavioral health workforce – particularly in rural areas, ensuring that the State Medicaid Program covers essential behavioral health benefits for all recipients, and integration of behavioral health into primary care settings.

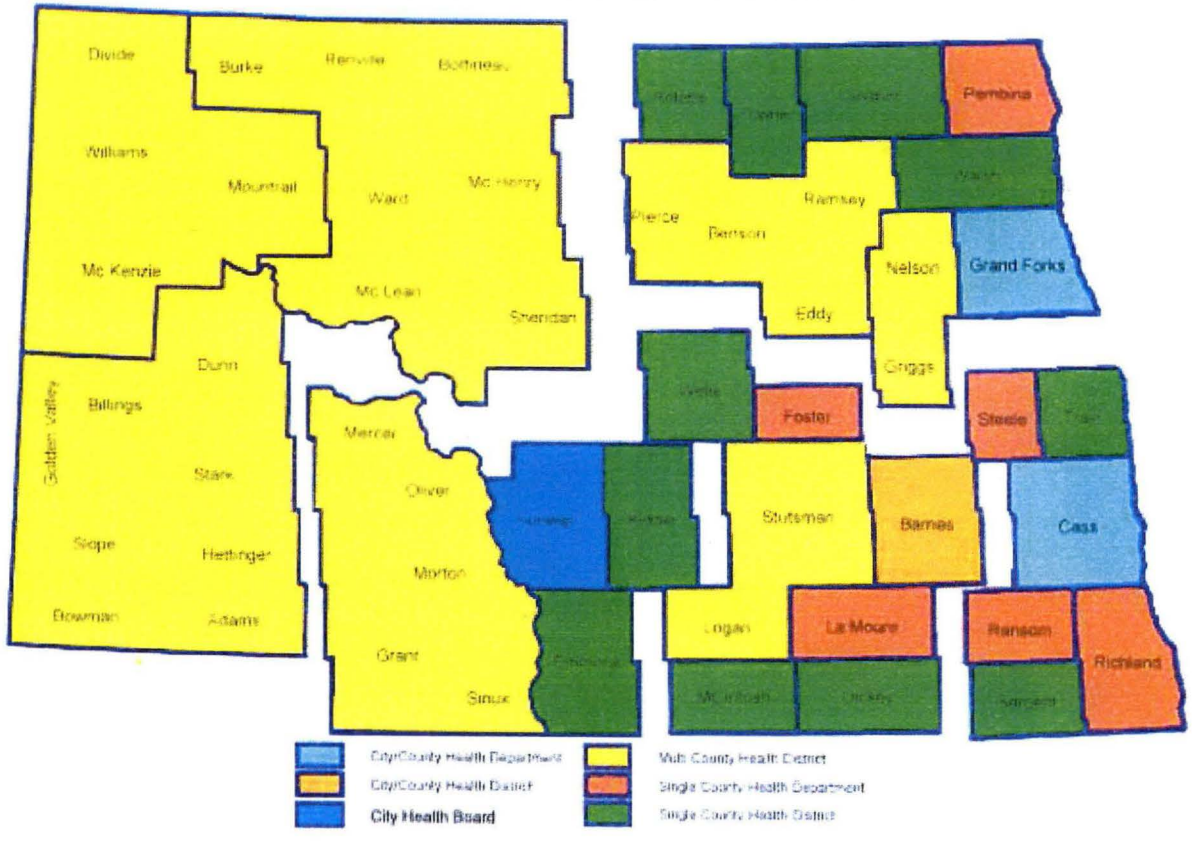
The state's alarming rates of opioid abuse is a call to action that cannot be ignored, yet it is estimated that **less than 1 in 10 individuals needing treatment for substance use disorders can actually access needed services in North Dakota.** Lifesaving medication assisted treatment for addiction is available in very few areas of the state, even though the effectiveness is widely established.

ND SACCHO member organizations have felt the impact of this increase in alcohol and drug addiction and the unmet behavioral health needs of residents in our jurisdictions. While we have taken steps to fill these gaps, the public health system does not have the capacity or skilled workforce to address the crisis of behavioral health in our state.

ND SACCHO supports **new funding** that will address service shortages, expand the workforce, and create an integrated system of care in North Dakota. Our most vulnerable residents deserve this commitment.

Further, ND SACCHO **opposes redirection of other public health funds** designated for the prevention of chronic diseases in order to address these critical behavioral health needs.

Local Public Health Units



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Oilfield Impacts and the North Dakota Department of Health Environmental Health Section

October 2016

Environmental Health Section
North Dakota Department of Health
918 East Divide Avenue
Bismarck, North Dakota

1-12-17 SB2004-2064

#4 (B)

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Oilfield Impacts and the North Dakota Department of Health Environmental Health Section

I. Background

The Environmental Health Section of the North Dakota Department of Health (NDDoH) is responsible for safeguarding North Dakota's air, land and water resources. The section, which has 174 employees, works closely with local, state and federal entities to address public and environmental health concerns and implement protection policies and programs. The section has a Chief's Office and five divisions: Air Quality, Laboratory Services, Municipal Facilities, Waste Management and Water Quality.

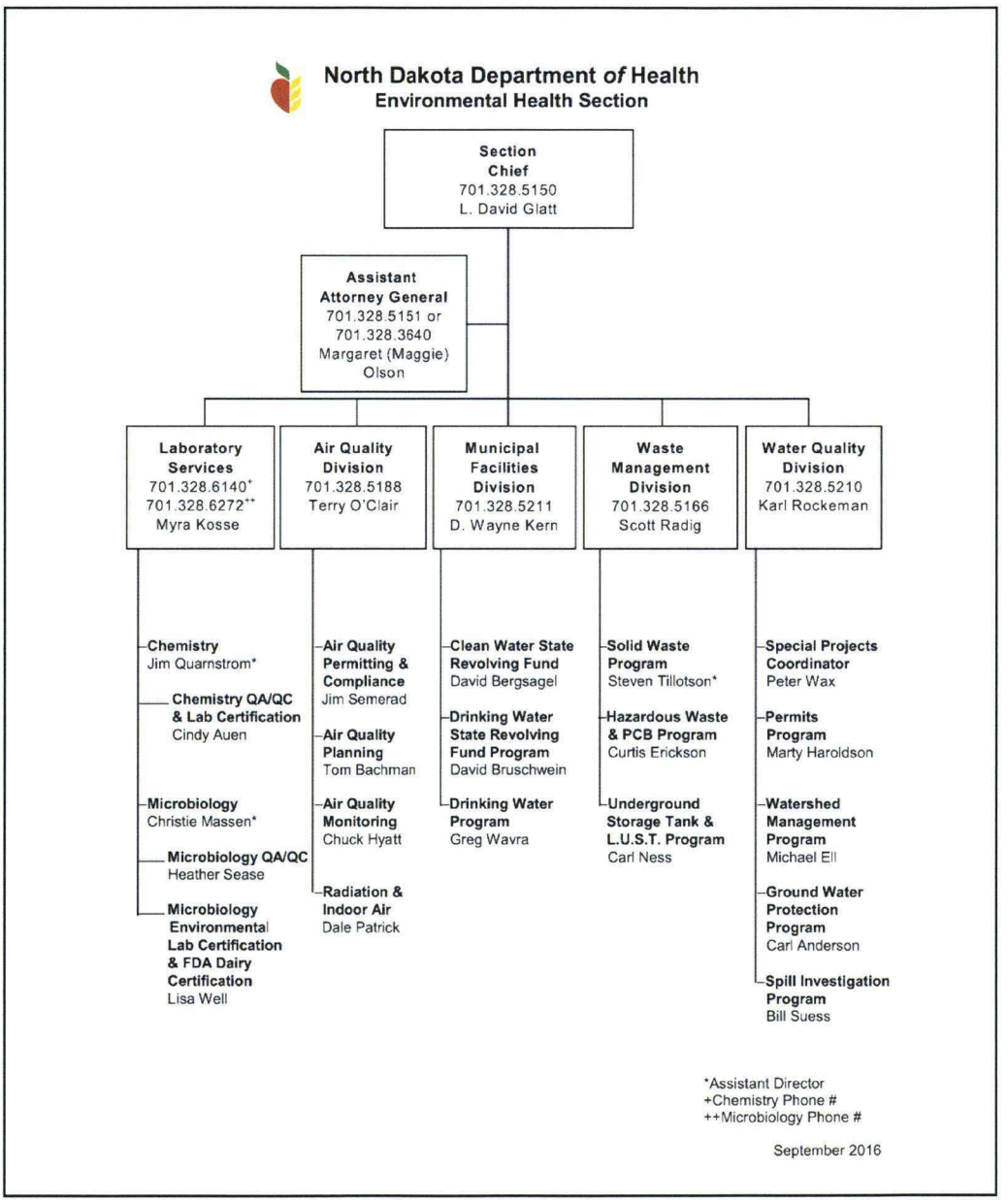

Figure 1. Environmental Health Section Organizational Chart

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A. Division of Air Quality

The Division of Air Quality consists of two major programs with 36 full-time positions and one half-time position. There are 23.5 environmental scientist positions, one environmental sciences administrator, and six environmental engineers which all require the minimum of a four-year degree. In addition, there are three electronic technicians and one data processing coordinator who have two-year technical degrees, and two administrative support staff.

Air Pollution Control Program

This program promotes clean air activities, conducts compliance activities and initiates enforcement actions to correct air pollution problems. Program staff responsibilities include implementing the Clean Air Act, evaluating permit applications, conducting computer modeling of potential impacts to air quality, issuing permits that restrict emission levels to ensure standards are met and operating an ambient air quality monitoring network.

Radiation Control and Indoor Air Quality Program

This program performs two major functions: (1) regulating the development and use of ionizing and non-ionizing radiation sources to protect North Dakotans and the environment, and (2) evaluating and mitigating asbestos, radon, lead and other indoor air quality concerns, as well as implementing a public awareness and education program concerning these health risks.

Field activities supporting the above programs include inspecting facilities to ensure compliance, enforcing laws, investigating air pollution complaints and operating a statewide ambient air quality monitoring network.

B. Division of Laboratory Services

The Division of Laboratory Services has two principal support programs. There are 35 full-time employees. Twenty-six are professional microbiologists or chemist positions requiring the minimum of a four-year degree, and nine are support staff, including four medical laboratory technicians and two chemistry laboratory technicians who have two-year degrees.

Chemistry

The chemistry laboratory provides analytical chemistry data to environmental protection, public health, agricultural and petroleum regulatory programs in the state. The laboratory also maintains a certification program for North Dakota laboratories that provide environmental testing services. The department's environmental protection programs use laboratory data to monitor and/or regulate air quality; solid and hazardous waste; municipal wastewater; agricultural runoff; surface, ground and drinking water quality; petroleum products; and other media of environmental or public health concern.

Microbiology

The microbiology laboratory (i.e., the public health laboratory) performs testing in the areas of bacteriology, mycology, parasitology, immunology, virology, molecular diagnostics, bioterrorism response, and dairy and water bacteriology. The laboratory is responsible for providing rapid, accurate detection and identifying organisms that may threaten public health.

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C. Division of Municipal Facilities

The Division of Municipal Facilities administers three programs. There are 31 full-time employees. Fifteen are environmental scientists, and 13 are environmental engineers requiring the minimum of a four-year degree. There is one grants/contract officer position, which also requires a four-year degree, and two administrative support personnel.

Public Water Supply Supervision (PWSS)

This program works with the public water systems (PWS) in North Dakota (currently 571) to ensure drinking water meets all standards established by the Safe Drinking Water Act (SDWA). This is accomplished by monitoring drinking water quality and providing technical assistance. Currently, 96.8 percent of community water systems are meeting all applicable health-based standards under the SDWA – one of the highest compliance rates in the region and country (EPA goal for 2015 is 92 percent nationwide).

Training and certification is provided for operators of water treatment and distribution facilities and wastewater collection and treatment plants. There are about 1,141 certified operators in the state. A total of 93 percent of public water systems are meeting operator certification requirements for water treatment (no EPA goal). There are 79 percent of community water systems meeting operator certification requirements for water distribution (no EPA goal).

Staff administer the fluoridation program and provide technical assistance to private systems. A total of 68 communities add fluoride to their drinking water. Of the population served by these communities, 95 percent (about 619,054) receive optimally fluoridated drinking water (no EPA goal).

Drinking Water State Revolving Loan Fund (DWSRF)

This program provides low-interest loans to help public water systems finance the infrastructure needed to comply with the SDWA. Since program inception (1997) through December 31, 2015, loans totaling about $424 million have been approved. Staff members also review drinking water projects to ensure compliance with state design criteria before construction and provide technical assistance.

Clean Water State Revolving Loan Fund (CWSRF)

This program provides low-interest loans to fund conventional wastewater and nonpoint source pollution control needs. Since program inception (1990) through December 31, 2015, loans totaling about $825 million have been approved. Staff members also review wastewater projects to ensure compliance with state design criteria before construction and provide technical assistance.

Field activities supporting the above programs include: (1) inspecting about 606 public water and wastewater systems to ensure compliance with all public health standards, (2) inspecting State Revolving Loan Fund construction projects to ensure they meet state and federal requirements, and (3) investigating complaints.

D. Division of Waste Management

The Division of Waste Management works to safeguard public health through four programs. There are 25 full-time positions and one half-time position, consisting of 15.5 environmental scientist positions, five environmental engineers, one environmental sciences administrator, the division director (all of which require the minimum of a four-year degree), and three administrative support staff.

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Hazardous Waste Program
This program regulates 760 facilities that generate, store, treat, dispose or transport hazardous waste. The program also coordinates assessments and cleanups at Brownfield sites (properties underdeveloped due to actual/perceived contamination) and performs inspections at sites known or suspected to have equipment containing polychlorinated biphenyls (PCBs).

Solid Waste Program
This program regulates the collection, transportation, storage and disposal of nonhazardous solid waste. Resource recovery, waste reduction and recycling are promoted. The program helps individuals, businesses and communities provide efficient, environmentally acceptable waste management systems. There are 448 facilities under this program and about 880 permitted waste transport companies.

Underground Storage Tank Program
This program regulates petroleum and hazardous substance storage tanks, establishes technical standards for the installation and operation of underground tanks, maintains a tank notification program, establishes financial responsibility requirements for tank owners and provides for state inspection and enforcement. The program works with retailers and manufacturers to ensure specifications and standards for petroleum and antifreeze are met. There are 935 facilities currently regulated under this program. In addition, the UST Program supervises the cleanup of any leaking underground storage tank facility and other petroleum product releases.

Abandoned Motor Vehicle Program
The Abandoned Motor Vehicle Program focuses on assisting political subdivisions in the cleanup of abandoned motor vehicles and scrap metal.

Field activities supporting the above programs includes compliance assistance, sampling, training, site inspections and complaint investigations.

E. Division of Water Quality
The Division of Water Quality protects water quality through five programs. There are 38 full-time positions, consisting of 29 environmental scientists, four environmental sciences administrators, four environmental engineers (all of which require the minimum of a four-year degree) and one administrative assistant.

North Dakota Pollutant Discharge Elimination System (NDPDES) Permit Program
This program issues the federally required National Pollutant Discharge Elimination System (NPDES) permits for discharge of pollutants to surface waters. This may include pollutants carried by stormwater, in addition to direct discharge of wastewater. Many industries and municipalities require these permits. This program also issues permits to septic tank pumpers regulating the collection and proper disposal of domestic wastewater. The permits may be individual permits issued to one facility or general permits where multiple facilities are covered under one permit.

Watershed Management Program
This program monitors the health of North Dakota watersheds through sampling and analysis of water quality and aquatic life in lakes, rivers, streams and reservoirs. For those water bodies that are not usable for their designated use, plans are developed to achieve improvements in water quality. These

plans are implemented in conjunction with the local conservation districts and landowners. This program also provides cost share assistance, information and education to help meet water quality goals.

Ground Water Protection Program

This program includes the (1) Wellhead and Source Water Protection Programs to define the susceptibility of public water systems to contaminant sources, (2) Underground Injection Control (UIC) Program which helps prevent contamination of drinking water by injection wells, and (3) Ambient Ground Water Monitoring Program which assesses the quality of ground water resources with regard to agricultural and oilfield-related chemical contamination. In addition, trained personnel provide immediate response to emergency spills and continued investigation/enforcement if necessary to fully address environmental impacts. Program staff also fulfills open records requests typically received as part of property transactions or as Freedom of Information Act requests from the general public.

Spill Investigation Program

This program receives and reviews all the spill reports for the state, and responds with the assistance of other EHS divisions and other agencies. The response may include the collection of additional information, assignment to other agencies, field inspection and on-scene coordination. Staff with this program collects environmental samples of soil and water, and work with the responsible party to ensure spills are remediated and waters of the state, both ground and surface water, are protected. To provide a timely response to a critical incident, this program maintains two staff in the field five days a week and one staff person on call weekends and holidays. One staff person maintains phone coverage 24 hours a day, seven days a week in case of an incident. Staff members also work with various industries to help prepare for response to an incident and to educate them on proper remediation and assessment of a spill.

Field activities supporting the above programs include inspecting wastewater treatment facilities and septic tank pumpers, and compliance audits/sampling to ensure permit requirements are met; inspecting construction and industrial site stormwater controls; meetings with local/state entities to assess nonpoint source project goals; ambient monitoring of lakes and rivers; evaluating domestic water sources for potential contaminant sources; annual collection/analysis of samples from vulnerable aquifers; overseeing remediation of spills with potential to reach water sources; and responding to complaints.

F. Section Chief's Office

Division activities are coordinated by the Section Chief's Office, which has 8.25 full-time employees (FTEs) and an attorney assigned by the Office of Attorney General. Employees oversee quality assurance procedures; help coordinate public information efforts; assist with staff training; and coordinate computer and data management activities, emergency response efforts, enforcement of environmental regulations and funding requests. The Chief's Office works with the section's divisions, various government agencies, industry and the public to set environmental protection policy and ensure the proper implementation of environmental protection programs.

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II. Impacts of Oilfield Activity

A. Division of Air Quality

Expanded activity in the oilfield has increased the workload in the division due to the number of licensing/permitting, inspection, enforcement and air quality complaint response activities.

The number of air pollution sources in the state has increased due to oil activity, resulting in an increase in workload (Figures 2, 3, 4 and 5). The number of oil wells registered in the state has risen from less than 2,000 to nearly 10,000 (Figure 6). Similar increases have been seen in the number of regulated crude oil storage tanks, compressor stations and gas plants.

The increase in the number of regulated air pollution sources, as well as increasing regulatory requirements/complexity, has resulted in the continued need for significant staff expertise and resources.

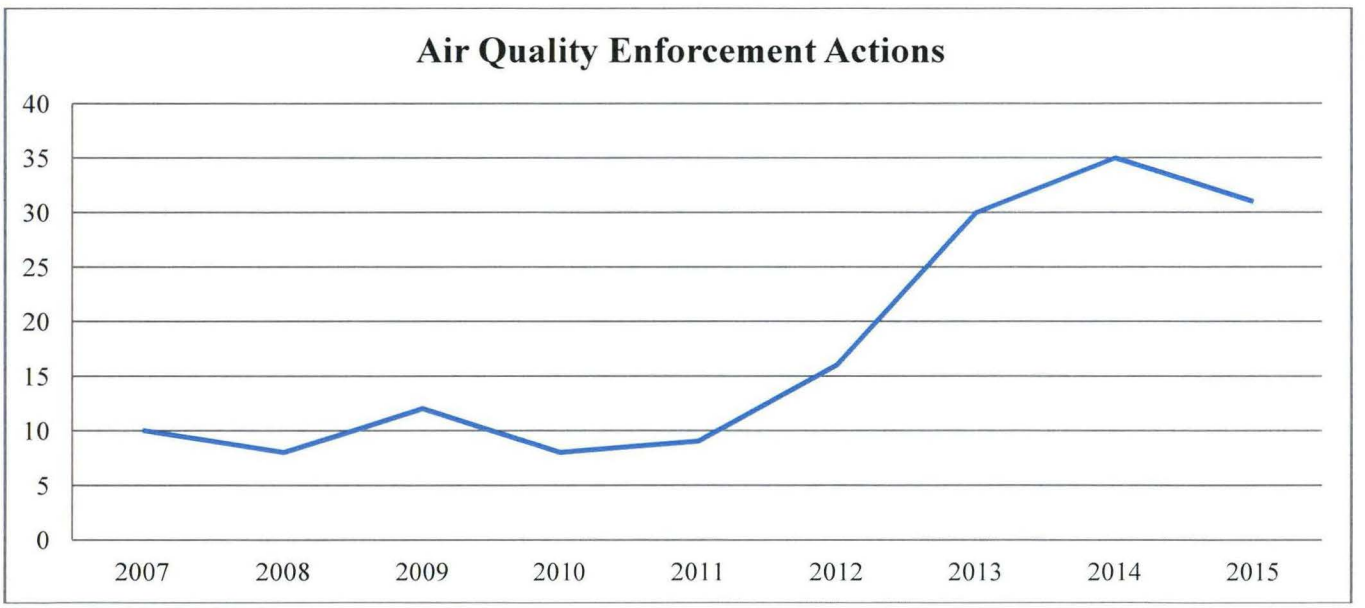

Figure 2. Air Quality Enforcement Actions

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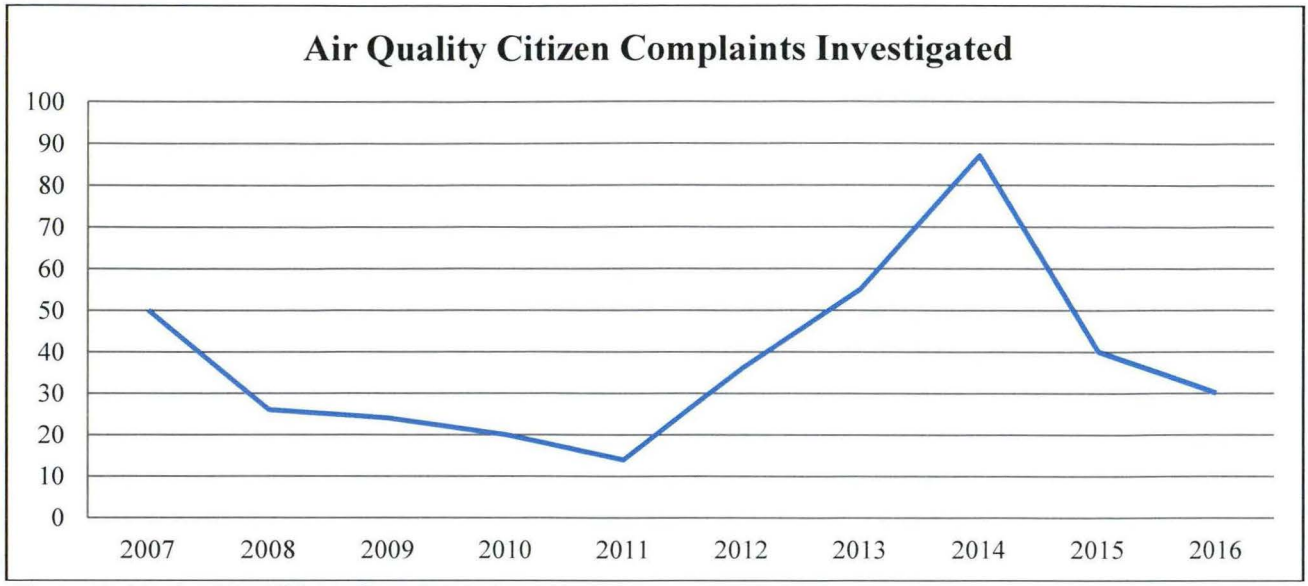

Figure 3. Air Quality Citizen Complaints Investigated

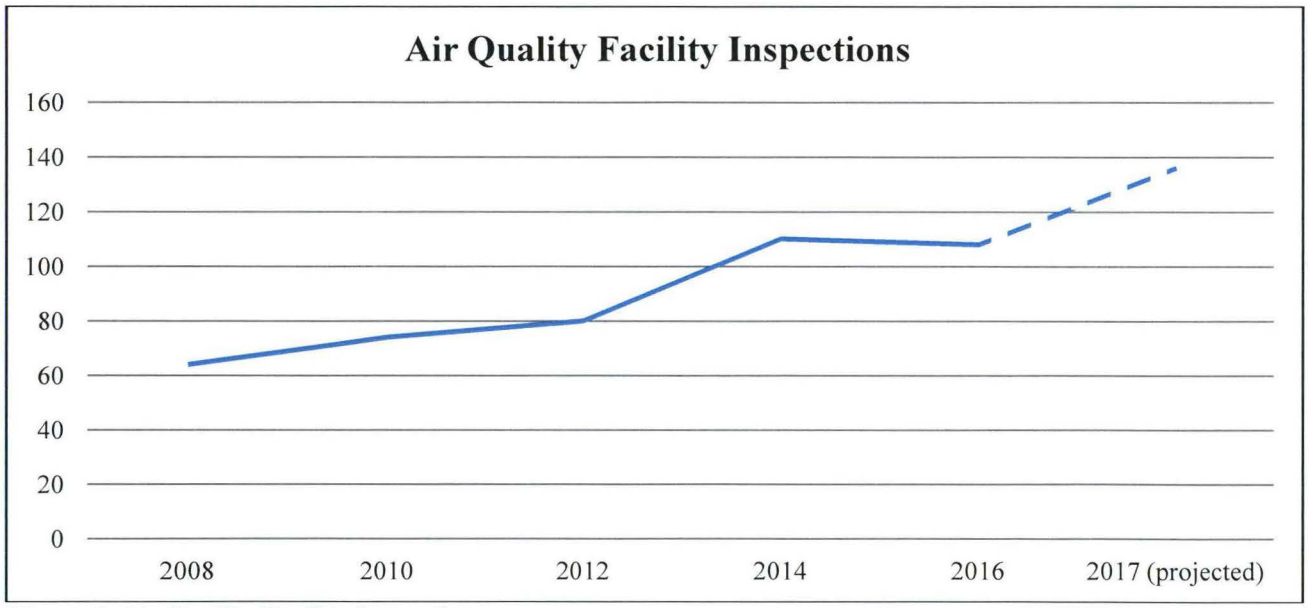

Figure 4. Air Quality Facility Inspections

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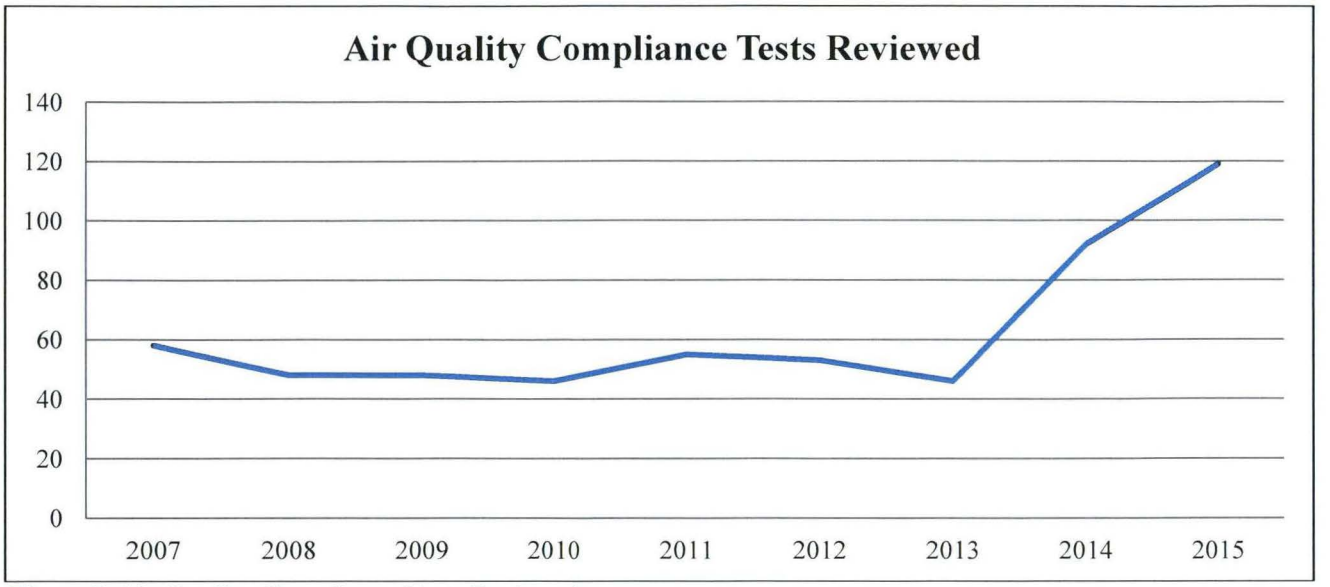

Figure 5. Air Quality Compliance Tests Reviewed

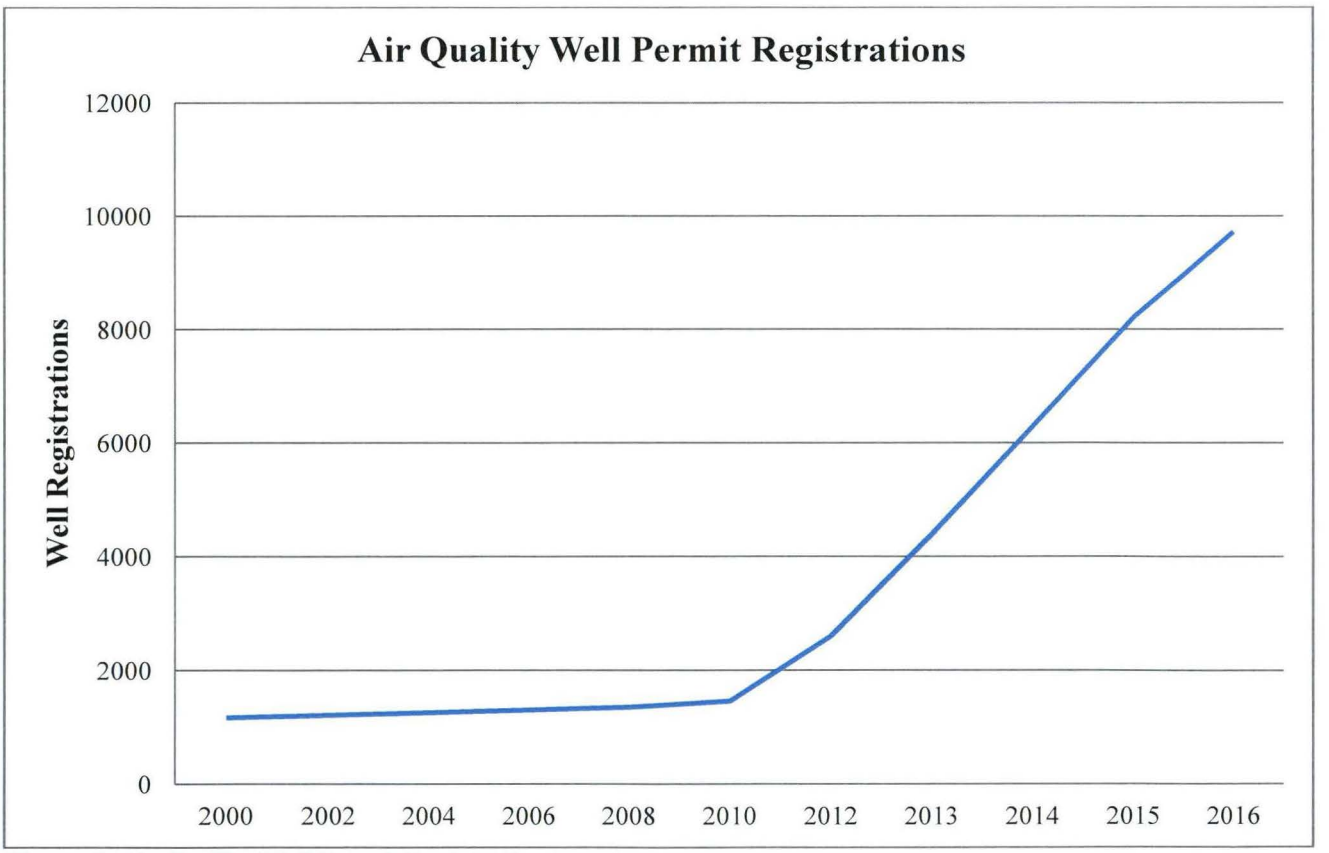

Figure 6. Air Quality Well Permit Registrations

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Many companies in the oilfield use instrumentation technologies containing radioactive material, and there has been a large increase in the number of companies actively using such materials. Several operators have been identified as improperly using these materials, potentially placing members of the public and the environment at risk. In response, the NDDoH has investigated an increasing number of allegations regarding improper handling of radioactive materials.

Radioactive materials license activities have stabilized to about 200 per year since 2014 (Figure 7). This is partly due to the impact of the recent downturn in oil and gas exploration and production activities.

The NDDoH published TENORM (Technologically Enhanced, Naturally Occurring Radioactive Materials) rules, which became effective January 1, 2016. As a result, the NDDoH has increased the number of public and industry informational workshops it conducts. In addition, increased workload demands have been placed upon the division as a result of the licensure of all TENORM radioactive waste transporters, the increase in the number of facilities that treat TENORM and the increased frequency in inspections of these facilities.

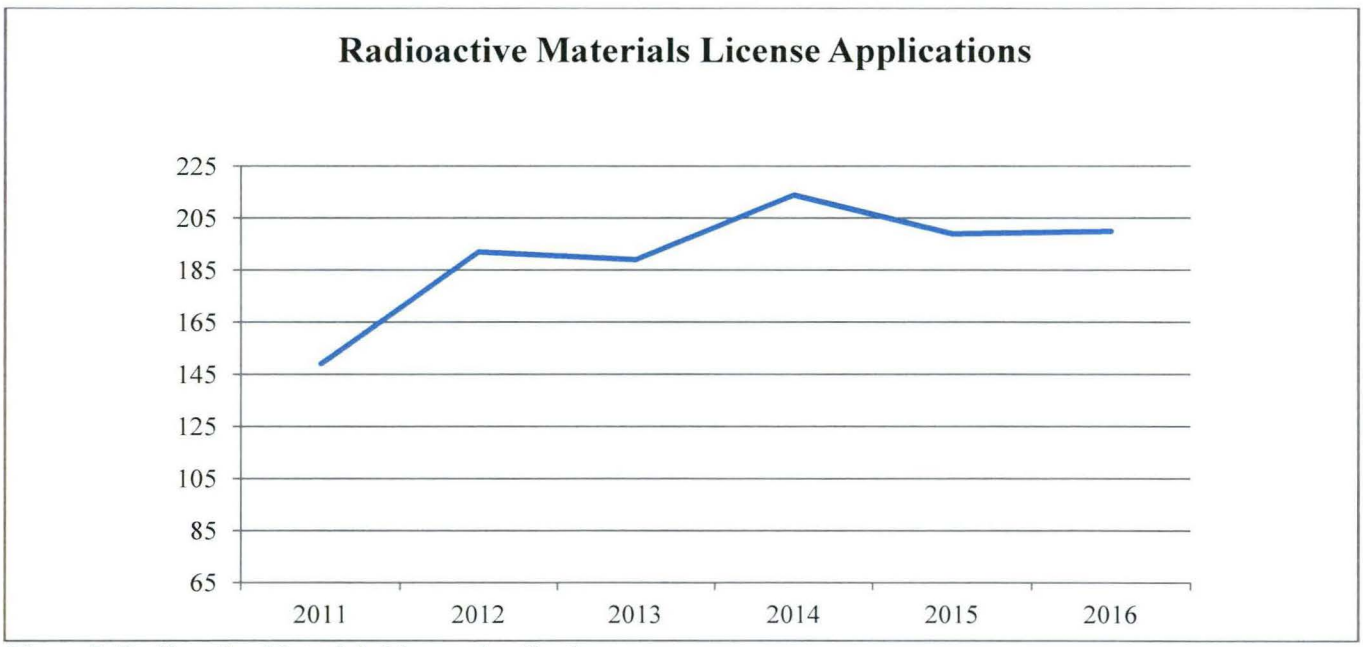

Figure 7. Radioactive Materials License Applications

Additional direct and indirect impacts on the division include:

- Expansion of the Tesoro Refinery, plus permitting work for proposed diesel refineries and a full-scale gasoline refinery.
- Increased compliance activities (inspections, testing/report reviews, etc.) relating to the new Dakota Prairie Refining diesel refinery.
- Increased permitting and compliance activities relating to gas plants, compressor stations and oil storage terminals.
- Extensive effort on Bakken Pool Permitting and Compliance Guidance Document for oil wells.
- Increased telephone and email inquiries pertaining to air pollution control requirements.

- Increased oil- and gas-related complaints and inquiries from public.
- Operating of a new Williston monitoring site to measure air quality.
- Inspections and study of radiation from frack sand and drilling mud.
- Increased permitting activity, along with increased particulate control inspections of more rock, sand and gravel plants (three times higher than in the past), due to greater demand for these materials in the oilfield.
- Road dust has become a significant source of air pollution.
- New Environmental Protection Agency regulations directed at energy development.
- Expansion of the Tioga Gas Plant

B. Division of Laboratory Services

Microbiology

Testing volumes from 2007-2015 were evaluated from oil-impacted communities in the western half of North Dakota. Communities included principal private (clinics and hospitals) and public health entities in the Dickinson, Williston, Watford City, Minot, Bismarck, Hettinger, Mott and New England areas.

The total testing volume from these communities showed a steady increase over the period 2007-2014. The volumes for 2015 decreased slightly; however, when compared to the average volumes of 2007 through 2012, the total sample volume is still significantly higher.

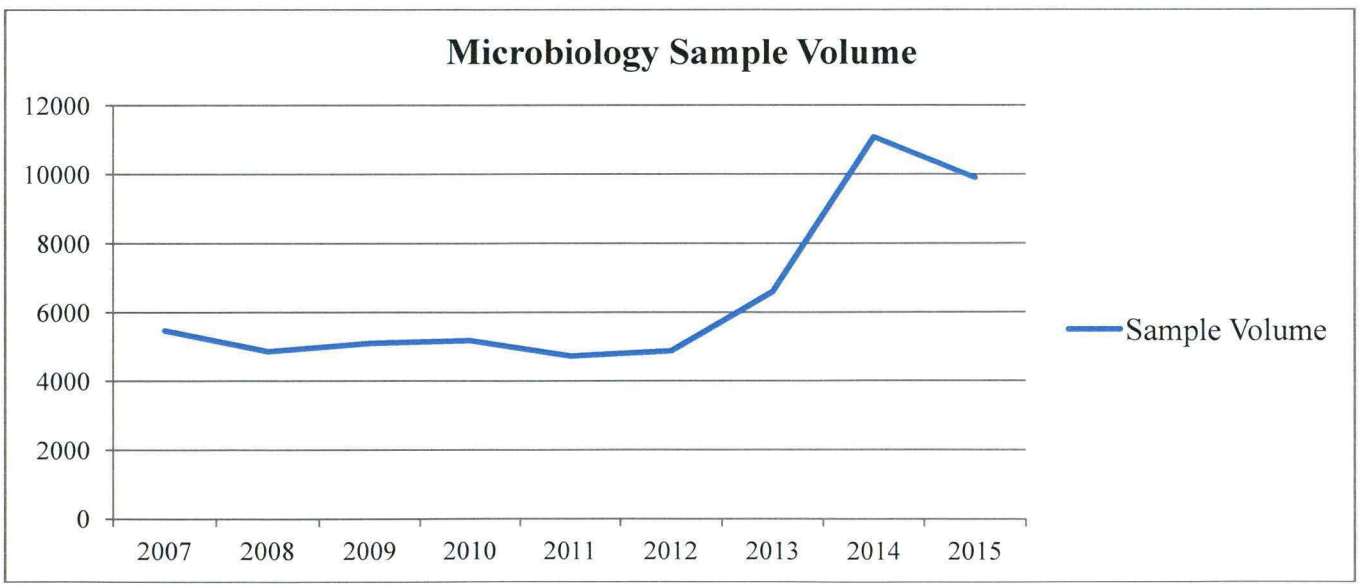

Figure 8. Microbiology Sample Volume

Chemistry

The chemicals regulated and monitored in the oil patch remain at a high level. For the 2012 through 2015 time period, about 470 samples per year were analyzed for oilfield-related parameters. That includes two major projects in 2015: the Blacktail Creek event (294 samples) and the Smishek Lake event (78 samples). Samples for 2016 are projected to be around 510.

Since July of 2015, parameters most commonly requested are complete mineral chemistry (including bromide), diesel range organics (DRO), gasoline range organics (GRO), and benzene, toluene, ethylbenzene and xylenes (BTEX).

Figure 9 depicts, if the Blacktail Creek and Smishek Lake events are excluded, the number of samples analyzed annually by the Chemistry laboratory for the 2014-2016 period has remained consistent.

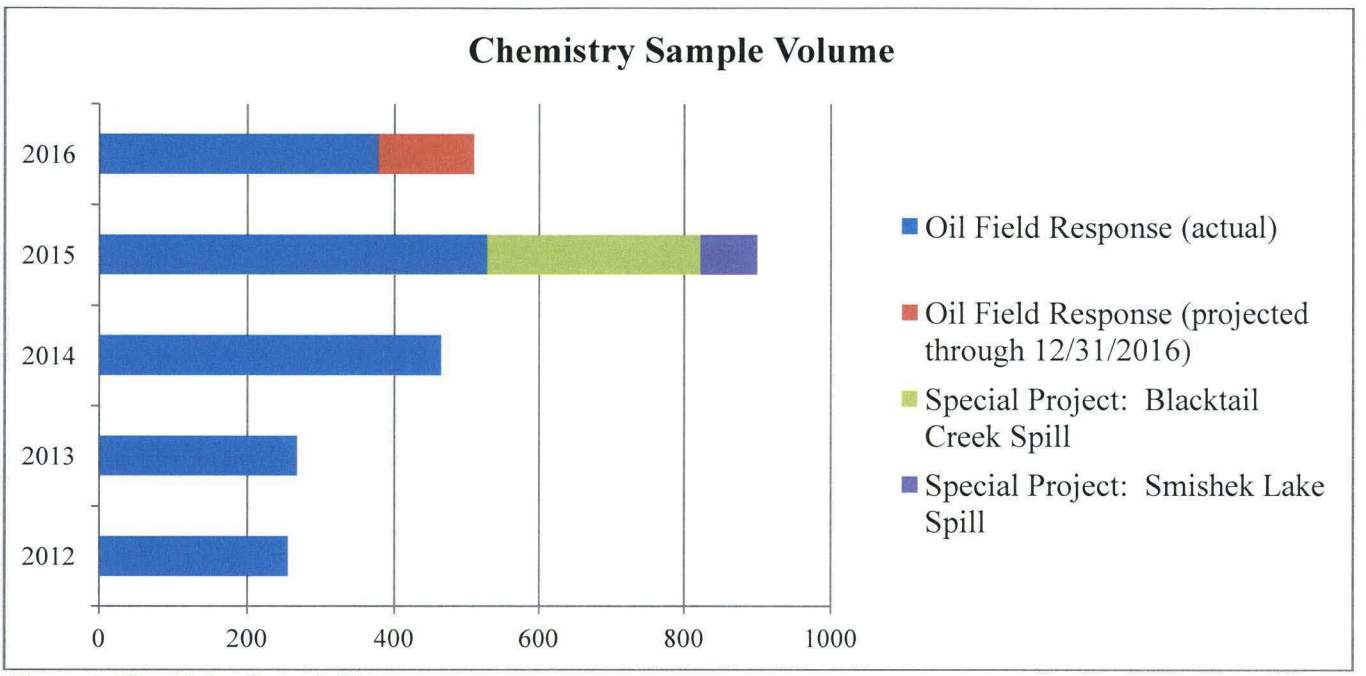

Figure 9. Chemistry Sample Volume

C. Division of Municipal Facilities

Keeping pace with the new drinking water and wastewater facilities in oil-impacted areas has been a challenge. Figure 10 shows that the total number of PWSs regulated by the division significantly increased from 2010 through 2014. It goes on to show a decrease in the number of PWSs tracked over the last year. However, the division still continues to monitor these systems to ensure that, as oil activities and PWSs become active once again, they continue to meet all SDWA requirements.

Figure 11 shows the total number of SDWA violations had been increasing since 2010. It also shows a decrease in the number of violations over the last year. This decline in the number of violations is due to smaller PWSs becoming consecutive users of larger providers, allowing them to return to compliance. The closing of others in oil-impacted counties has also had an impact on compliance rates. However, even with the decline, the long-term average is still double when compared to 2008 through 2010. Implementation of the Revised Total Coliform Rule during 2016 will further impact the division's workload and compliance rates in the future.

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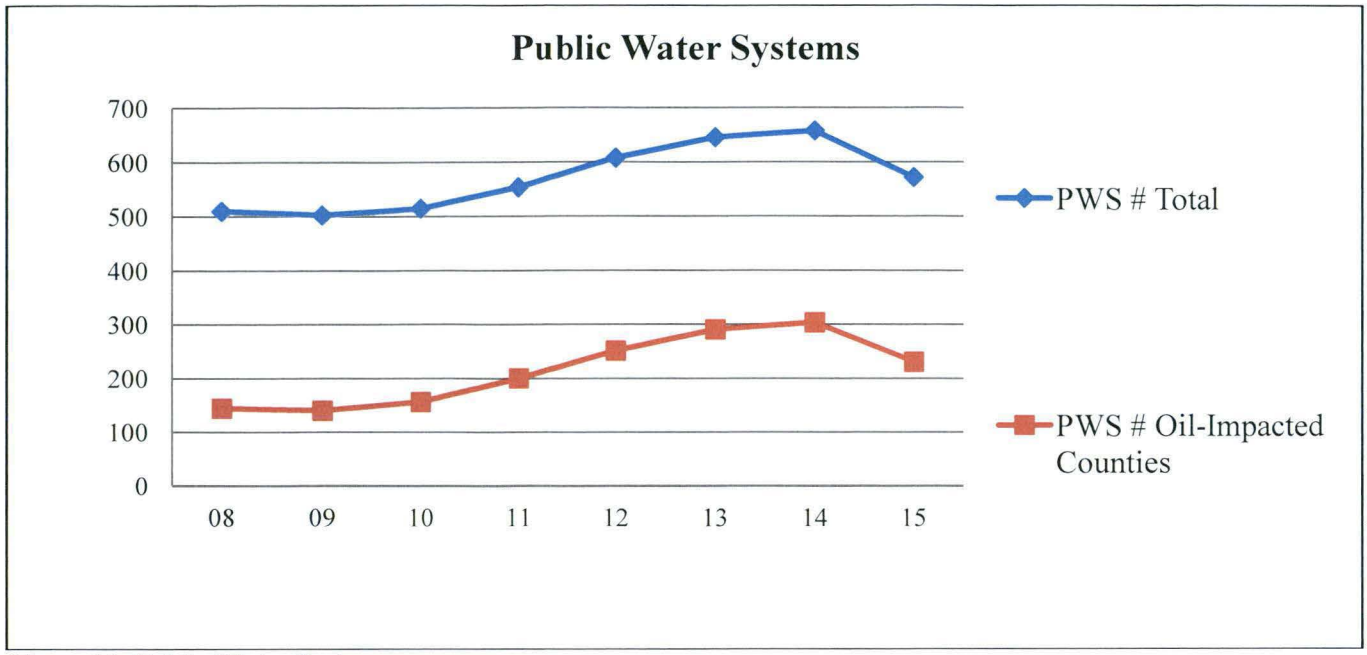

Figure 10. Public Water Systems

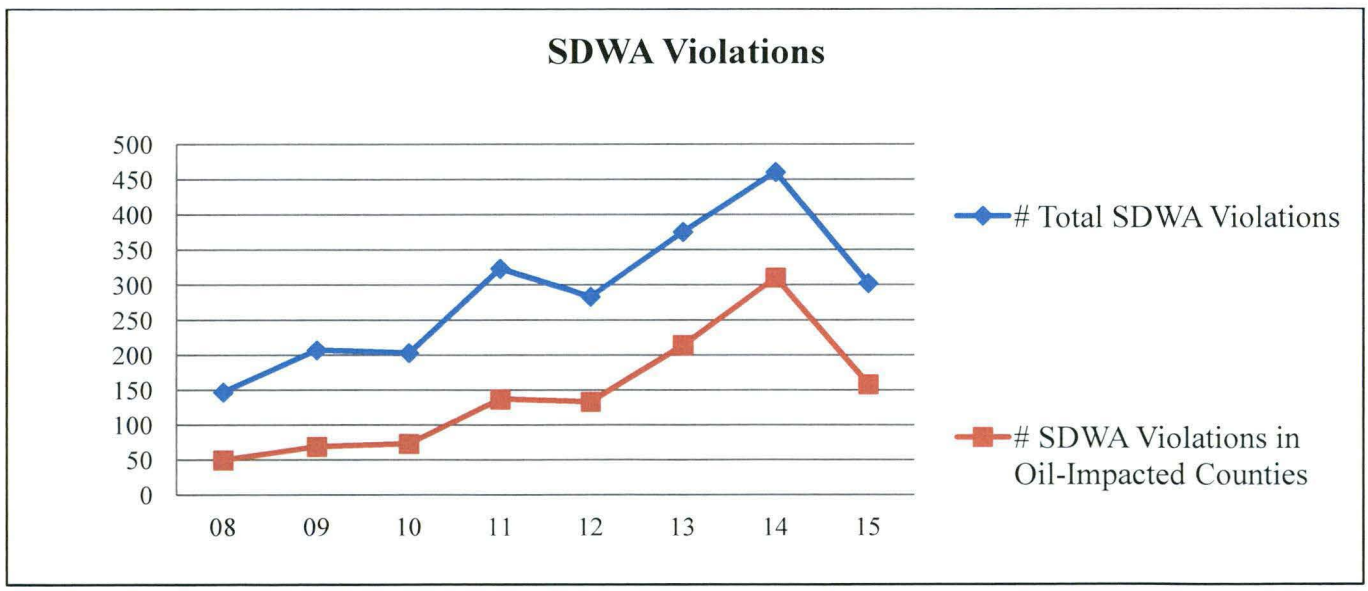

Figure 11. SDWA Violations

Under state law (North Dakota Century Code 23-26), all persons operating water and wastewater systems, with some exceptions, must be certified by the NDDoH. Figure 12 generally shows decreased numbers of water distribution operators being certified since 2011. Two principal factors have been responsible for the decrease in certification: (1) operator turnover (certified operators leaving for higher paying jobs in the oilfield); and (2) new systems that do not have a certified operator. Both of these factors still exist, but higher-paying oilfield jobs may be harder to find. Through training and site inspections, the division continues to stress the importance of having a certified operator. In oil-

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impacted counties, the primary need has been for water distribution operators because most new systems obtain drinking water from other regulated sources (no treatment required) and either haul wastewater to another permitted system or provide on-site wastewater disposal. Compliance with operator certification requirements for water treatment and wastewater collection/treatment also may decrease if more systems choose to develop/treat their own drinking water sources or treat/discharge wastewater.

Figure 13 shows a large increase in plans and specifications submittals/approvals since 2010, largely due to projects in the oilfield. Project submittals decreased in 2015, but remained high and required extended review time. Many were submitted by out-of-state engineering firms (120 to date) unfamiliar with North Dakota requirements, resulting in extended review time. Many had mechanical wastewater treatment plants and/or large on-site disposal systems which require additional time for review and approval. On-site disposal systems have not historically been used or addressed by the division. Finally, many involved as-built situations which require more time to resolve design and construction issues. Considerable time also is spent: (1) evaluating and addressing noncompliant or failing wastewater systems, many of which were built and expanded without local or state approval and which have undergone numerous ownership or management changes; and (2) developing new design standards and policies to address issues primarily related to projects in the oilfield.

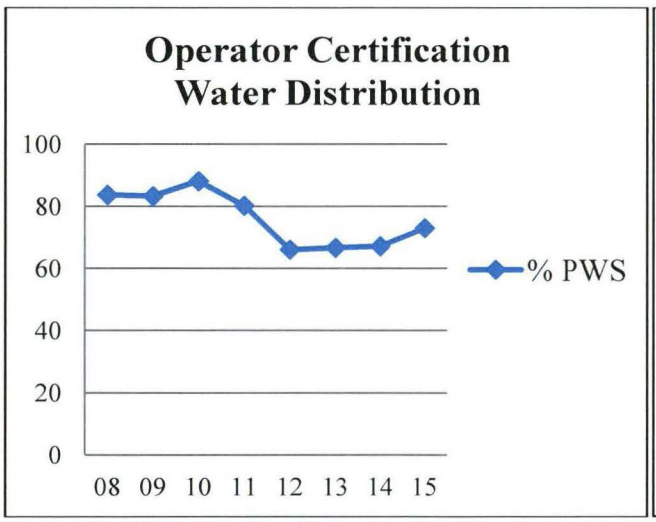

Figure 12. PWS Meeting Operator Certification Requirements (Water Distribution)

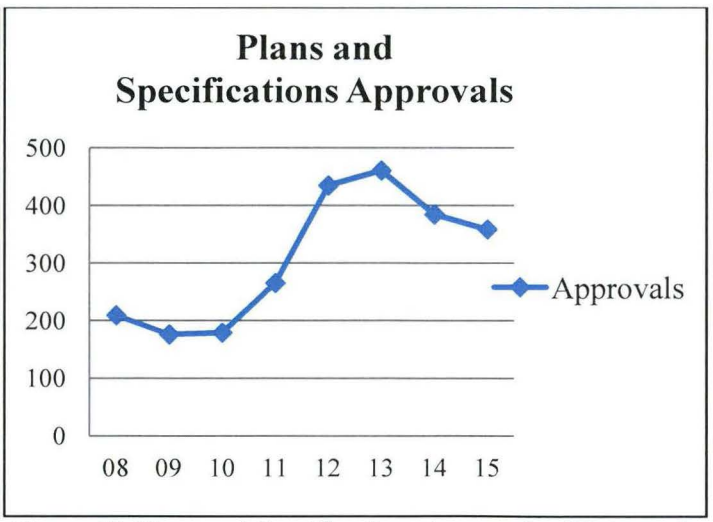

Figure 13. Plans and Specifications Approvals - Water and Wastewater Projects

Figure 14 shows the number of projects/dollar value on the CWSRF and DWSRF lists increased significantly since 2010. For 2016, the preliminary dollar value of projects is $669 million for the DWSRF and $516 million for the CWSRF. This will result in a large number of SRF projects to implement, increasing workload on top of attempting to keep pace with more technical reviews for non-SRF and oilfield projects.

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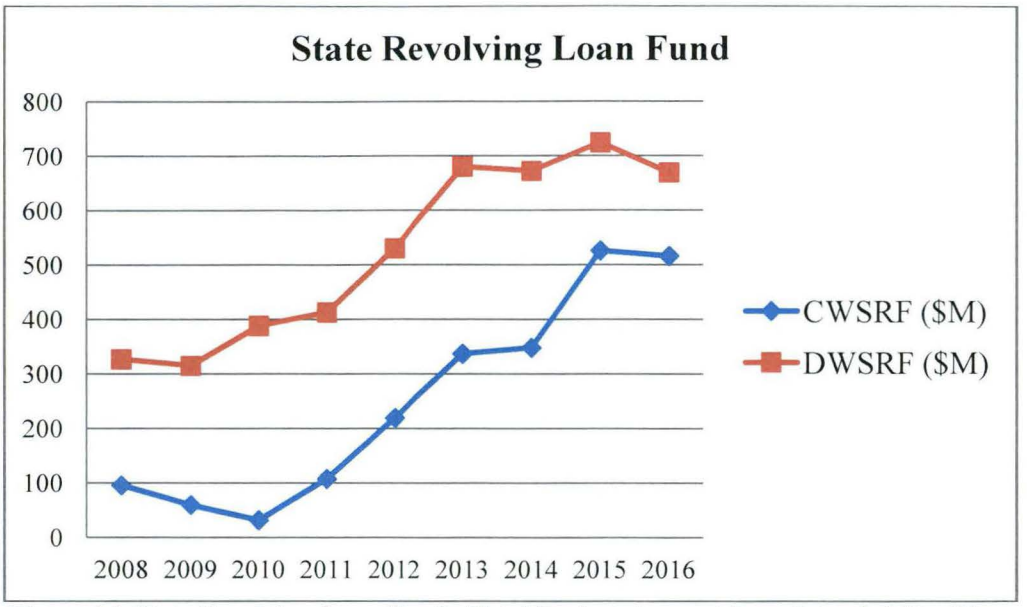

Figure 14. State Revolving Loan Fund - Total Project Amount from Intended Use Plans

Additional workload impacts to those shown in the above tables include: educating systems on SDWA requirements, implementing/enforcing the requirements, and compliance/technical assistance in addressing SDWA violations; responding to complaints; answering calls and emails about proposals for new/expanded housing facilities; addressing vendor/engineer inquiries; and attending visits and presentations on alternative wastewater treatment systems and project proposals.

D. Division of Waste Management

Oilfield activity has significantly increased the workload, from facilities directly operated by oilfield-related businesses and from peripheral businesses supporting the increasing general population. There are more oilfield service companies generating large quantities of hazardous waste and other support businesses, such as tank manufacturers generating more hazardous waste. Even with the slowdown in oil well drilling activity, the service and support companies remain active. There has been no decrease in the number of large quantity generators of hazardous waste or the overall quantity of hazardous waste generated. New gas stations and truck stops are being built or expanded. Both municipal landfills and oilfield special waste landfills are dealing with new types and greatly increased volumes of waste.

Figures 15 through 20 show the changes in hazardous waste large quantity generators (LQGs), municipal solid waste (MSW) and special waste landfills, tons of oilfield special waste, number of solid waste inspections, new or expanded underground storage tank (UST) facilities, and new waste transporter permits. The division also has three staff members on the EHS Division of Water Quality spill response team, which requires considerable field work and office follow-up. Figure 22 on page 19 of this report shows spill response numbers.

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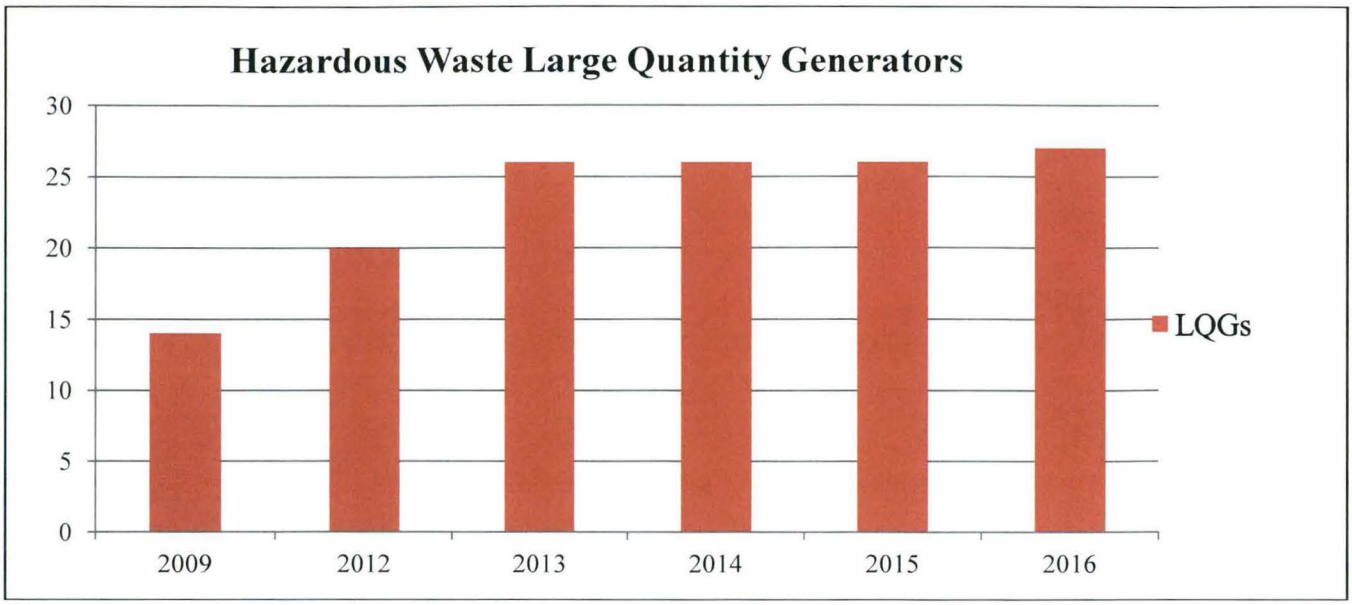

Figure 15. Hazardous Waste Large Quantity Generators

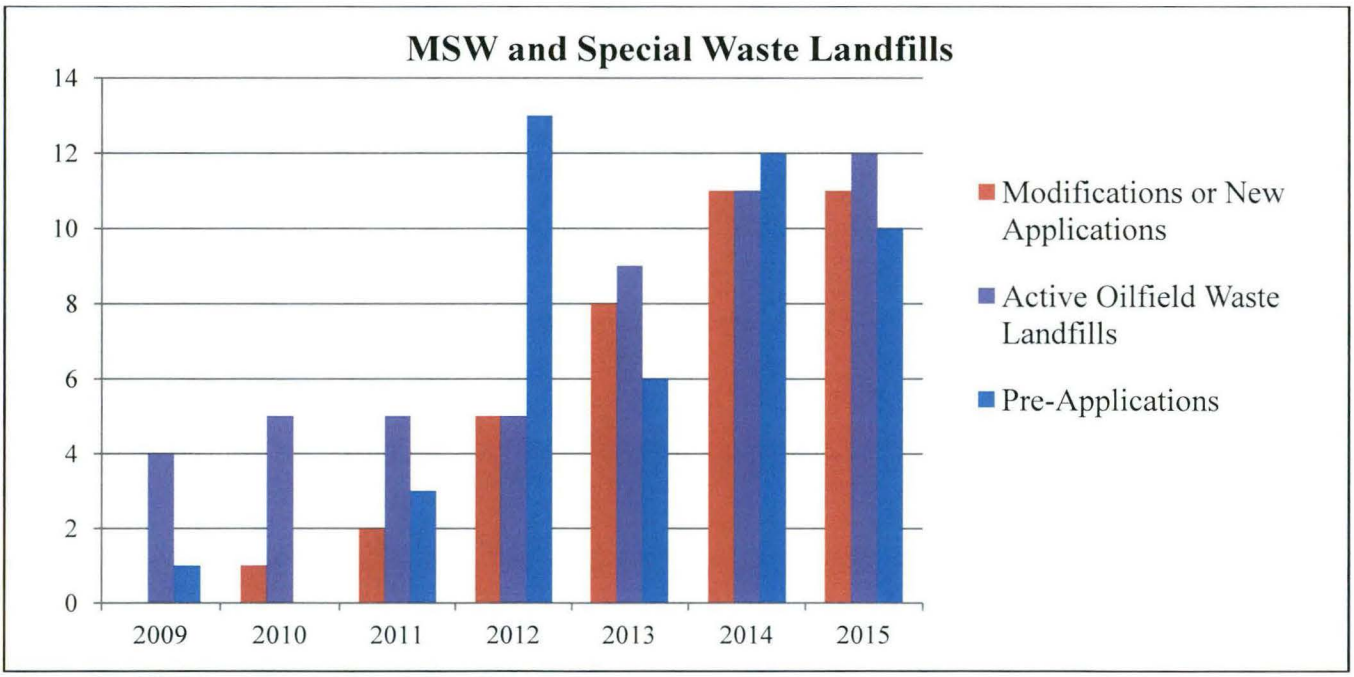

Figure 16. MSW and Special Waste Landfills

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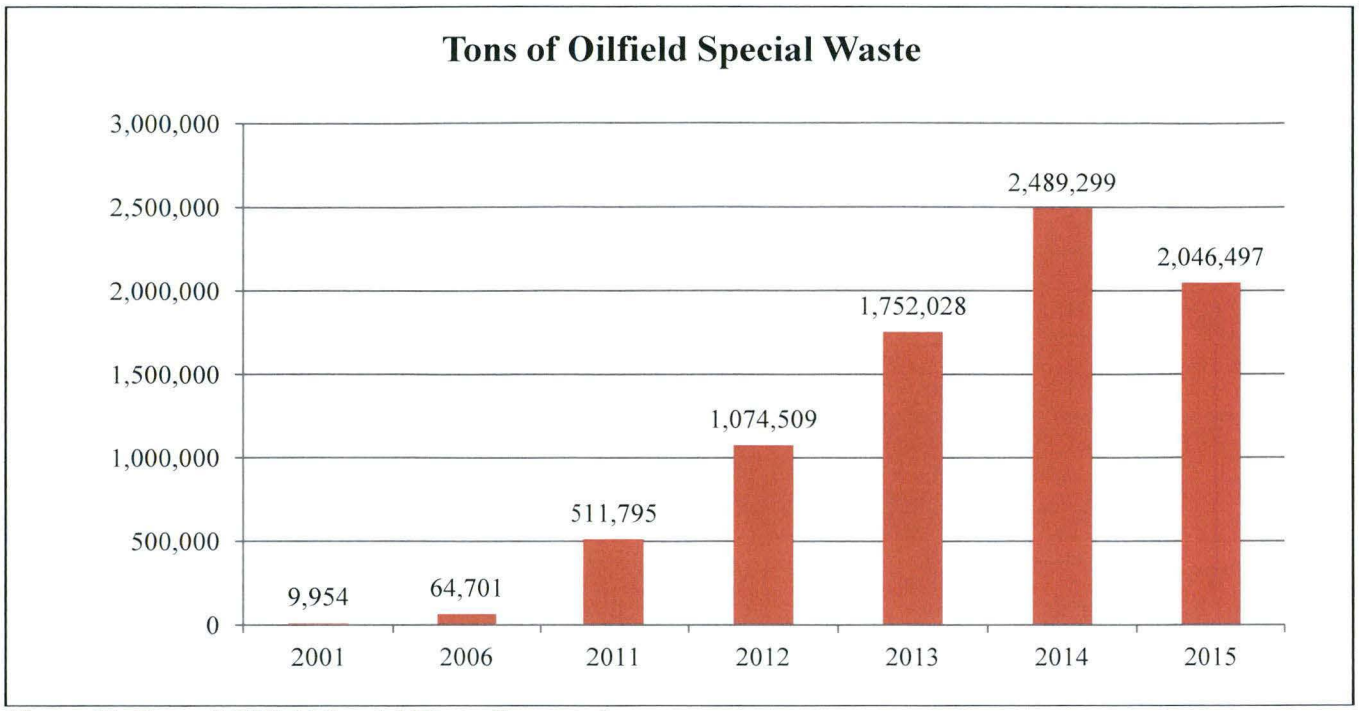

Figure 17. Tons of Oilfield Special Waste Generated

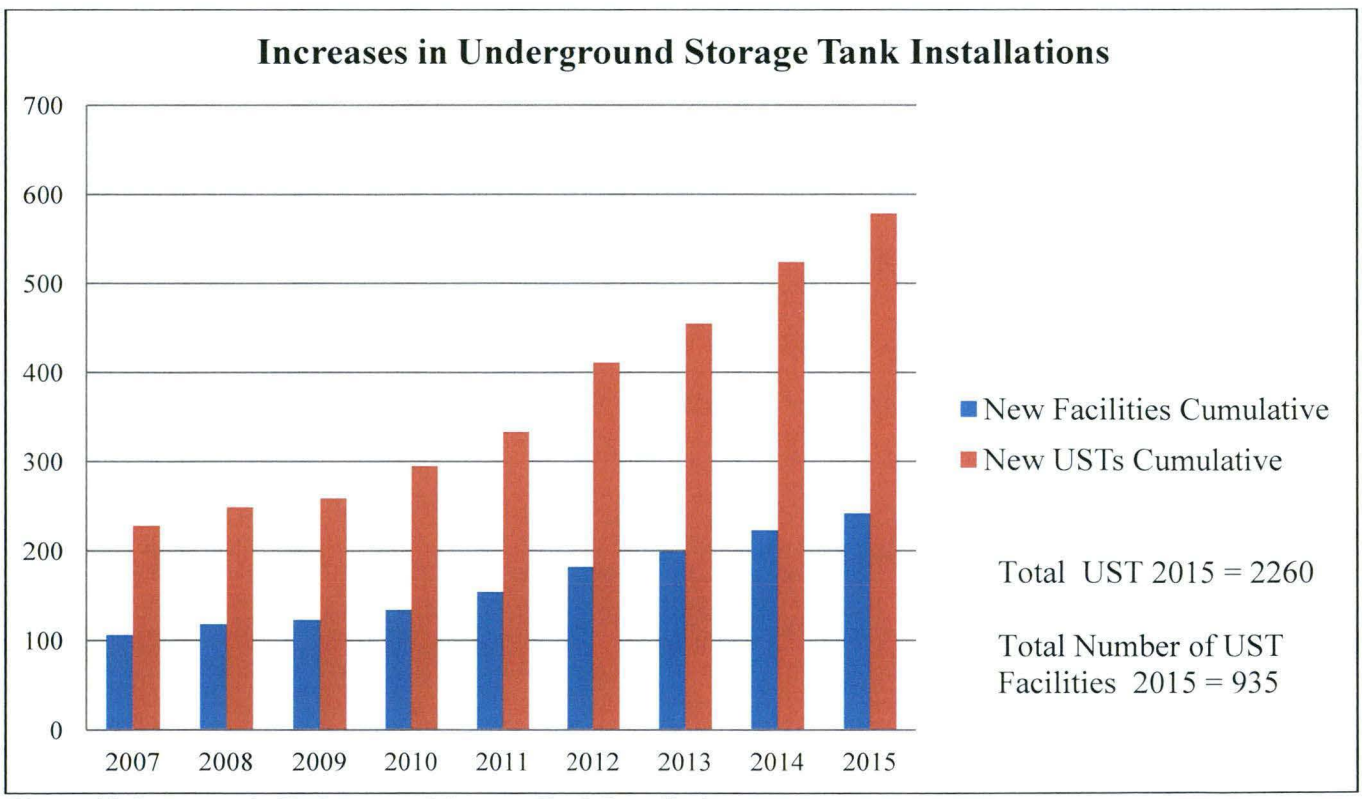

Figure 18. Increases in Underground Storage Tank Installations

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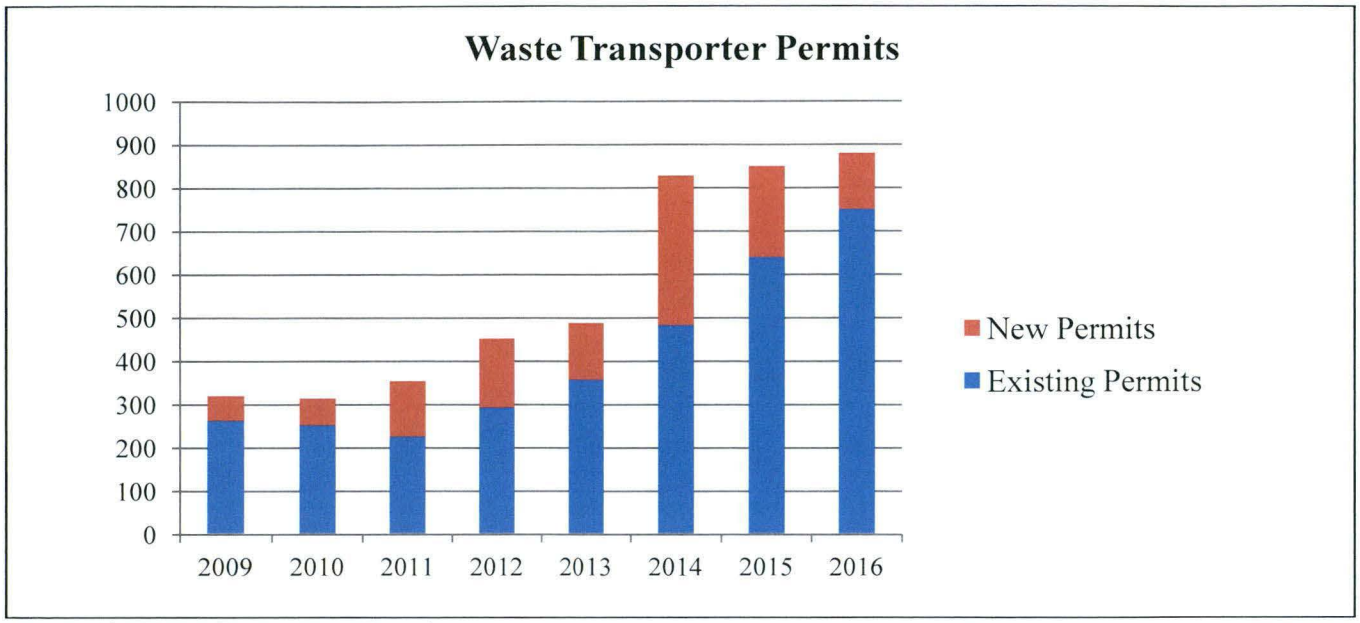

Figure 19. Waste Transporter Permits

Figure 20. Solid Waste Inspections

The significant increase in the number of pre-applications and applications for new or expanding landfills, both municipal solid waste and oilfield special waste, has greatly increased the workload of the Solid Waste Program. These applications are very detailed, highly technical documents, usually more than a thousand pages in length, that require expertise in soils, hydrogeology, plant science and engineering to review. North Dakota solid waste rules have a 120-day limit in which the department is required to complete the review. However, that has been increasingly difficult to achieve due to the

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volume of applications and inquiries received. At the same time, there is an increased need for inspections at the existing facilities and site visits to the new facility locations, which also takes significant staff time. This has resulted in a backlog for inspections and permits for other regulated solid waste facilities around the state. All of the programs in the Division of Waste Management have been affected by oilfield activities, but the Solid Waste Program has been affected the most.

Two new oilfield and industrial waste landfills were permitted, and two were significantly expanded in 2015. The Solid Waste Program conducted 505 inspections of 254 facilities and followed up on 154 reports of prohibited waste rejected by solid waste disposal facilities. Five pre-application reviews were completed for proposed oilfield/industrial waste landfills in 2015.

In 2016, three permits were issued, one for a new oilfield/industrial waste landfill and two for expansions of existing facilities. Permits for expansion of two MSW landfills in the west (McKenzie County and Williston) have been approved, and a pre-application for the Dickinson MSW landfill expansion was approved.

By the end of September 2016, the Solid Waste Program had conducted 356 inspections of 186 facilities and followed up on 130 reports of waste rejected by solid waste disposal facilities due to prohibited waste (including potential radioactive materials). In 2016, the division issued a contract with the Upper Missouri District Health Unit and McKenzie County for up to $100,000 from the Abandoned Auto Program Fund to address the problem of campers, trailers and mobile homes abandoned due to the decline in oilfield activity.

An entirely new issue arose during the Bakken oil boom regarding the generation and proper management of Technologically Enhanced Naturally Occurring Radioactive Material (TENORM). TENORM is low-level radioactive waste that is generated primarily in oilfield exploration and production activities. It includes materials such as filter socks, tank bottom sludge and pipe scale. Responding to illegal dumping and improper management incidents has taken considerable staff time, as TENORM is a major concern of the public. The division is overseeing rejected waste loads at landfills and the cleanup of illegal dump sites, although the number of incidents has decreased since implementation of requirements for TENORM waste containers on all well sites. The division worked with Argonne National Laboratory to study the risks to oilfield workers and the general public. New administrative rules regarding the proper handling, recordkeeping, reporting and disposal of TENORM have been approved and are being implemented. Three landfill applications for managing TENORM have been received for review.

E. Division of Water Quality

Spill Investigation Program

This program is primarily responsible for responding to spills with the potential to impact waters of the state and following up on appropriate remediation. The program handles two different types of spills: oilfield and non-oilfield related. Of the spills that have been reported since July 1, 2015, there are currently less than 20 oilfield-related spills and less than 20 non-oilfield related spills awaiting initial inspection. Between July 1, 2015 and September 27, 2016, the program reviewed 1,967 total spills and has responded to 810, assigning the rest to other agencies. Of the 810 spills inspected, there are 371 that need additional on-site follow-up. Spills with the greatest potential to adversely impact the environment are evaluated as soon as possible. As the number of oil and gas facilities increase, the potential for the

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number of spills is expected to increase as well. Figures 20 and 21 illustrate the change in number of spills reported and the response by staff for each calendar year.

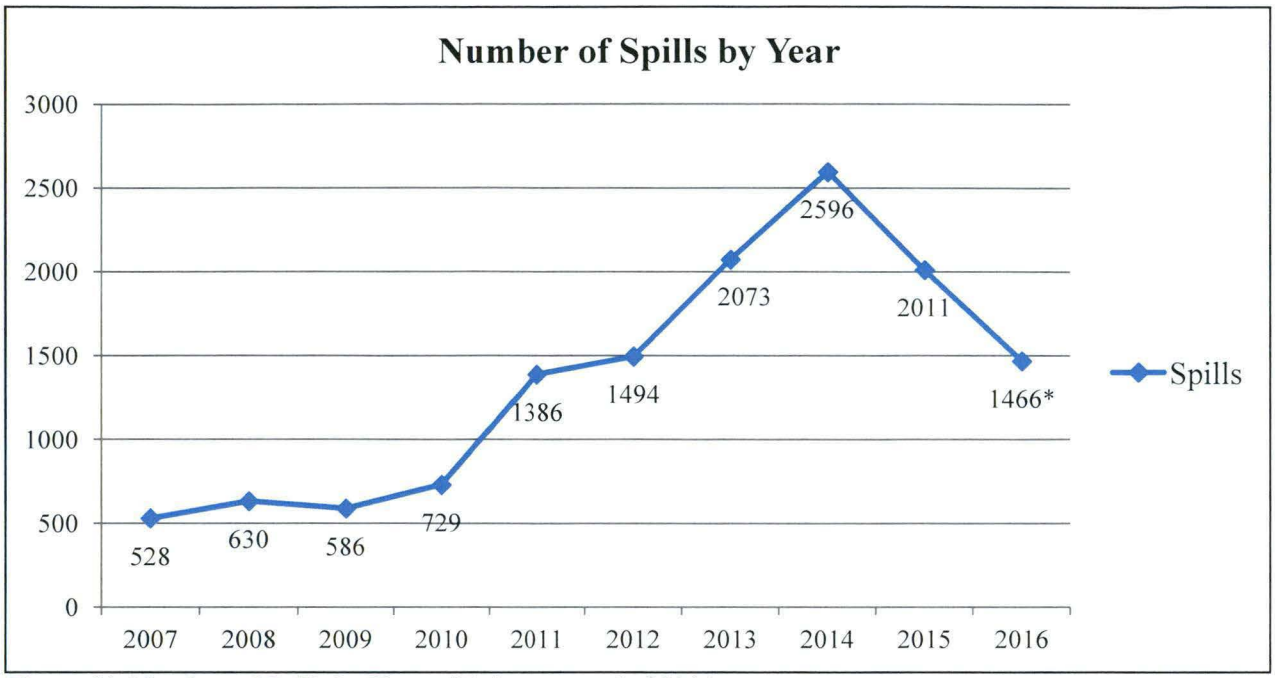

Figure 21. Number of Spills by Year *Estimate at end of 2016

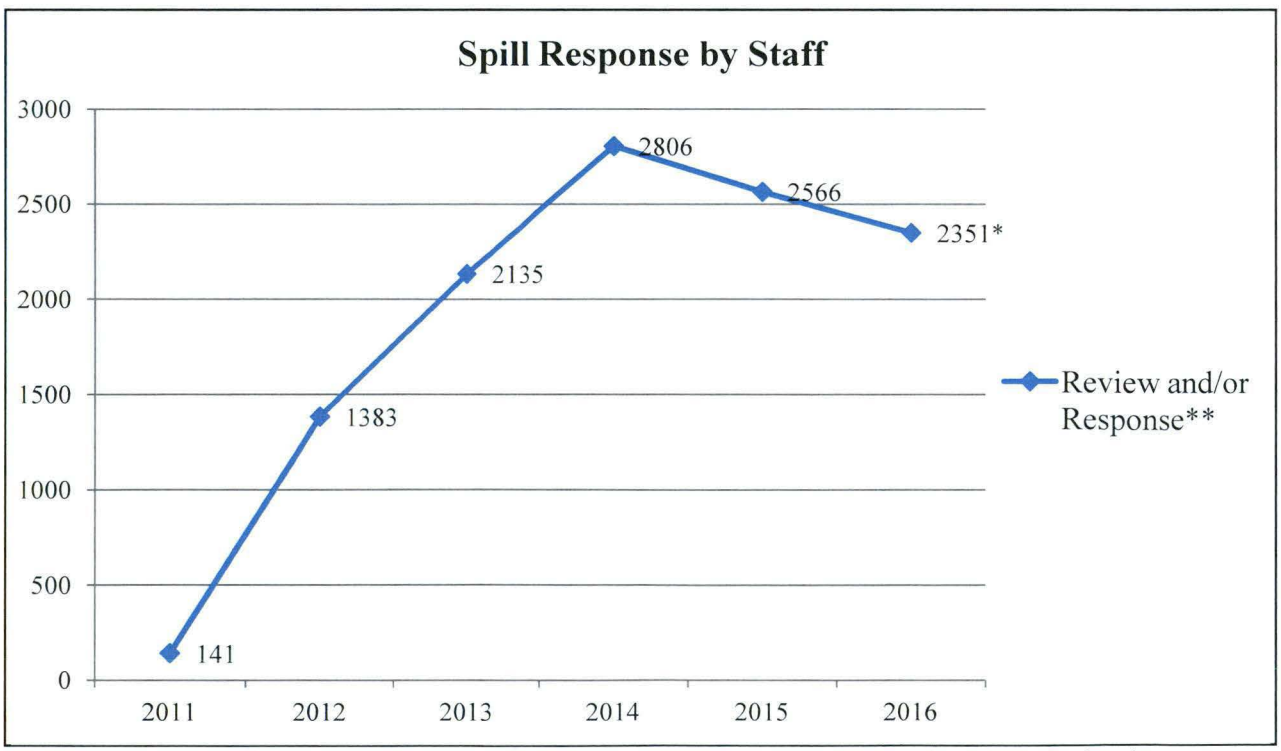

Figure 22. Spill Response by Staff * Estimate at end of 2016 **Response may include several actions (e.g., review to determine if follow-up is necessary, phone conversations and inspections).

NDPDES Program

Figure 23 shows there is still a high demand for the issuance of new permits. Except for septic system servicers, all of the following are federally required permits.

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- Construction stormwater
- Dewatering and hydrostatic testing (including pipelines and tanks)
- Industrial stormwater
- Wastewater general permits (typically small domestic wastewater treatment facilities)
- Wastewater individual permits (typically major municipalities and industries)
- Septic system servicers

The continued overall increase in permits has resulted in additional inspections of septic tank servicers, stormwater controls, and crew camp and hauled wastewater treatment facilities. Even though numbers for new permits have started to decline, items like complaints of abandoned facilities that may need cleanup are on the rise. In addition, growth in the production of oil and natural gas has resulted in increased interest in facilities to use these products. The permits can be complex and require more staff time than most typical permits, and the interest in petrochemical manufacturing is expected to grow.

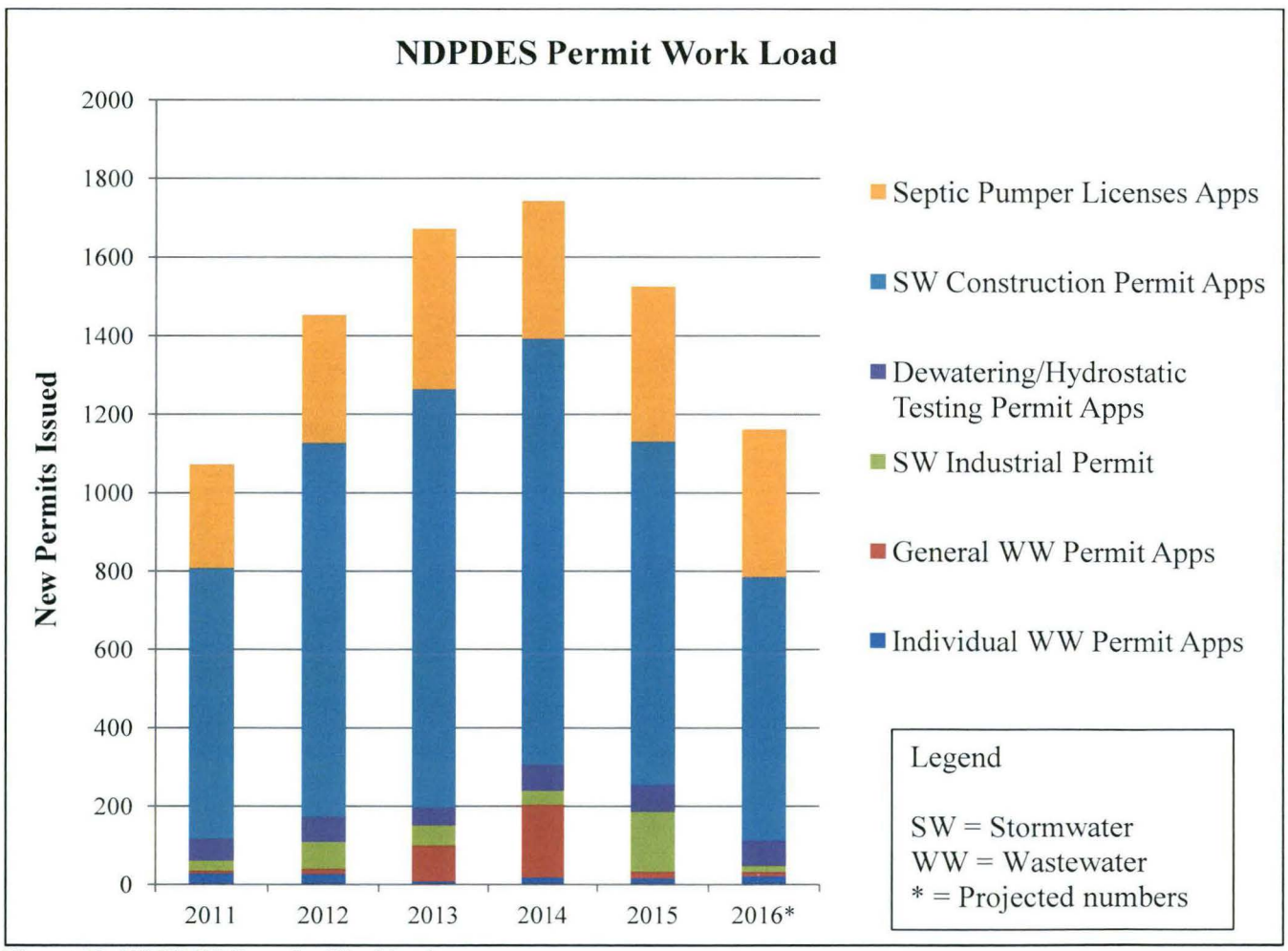

Figure 23. NDPDES Permits Workload

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Ground Water Protection Program

The oil boom has significantly increased the water appropriation applications received by the State Water Commission for review (Figure 24), primarily related to industrial uses of ground water. Approximately 64 water appropriation permit reviews were completed in 2015, and it is estimated that 100 reviews will be completed in 2016.

Figure 24 also shows significant impact on the Underground Injection Control (UIC) Program. The number of potential UIC sites (crew camps, oil service companies, vehicle repair businesses, etc.) continues to increase. In 2015, it was estimated that approximately 325 businesses in western North Dakota may have Class V wells and therefore require inspection. Available staff was able to inspect approximately 35 facilities in 2015. In 2016, it is estimated approximately 350 facilities may warrant inspection. Additional potential UIC sites have yet to be evaluated. The program has responded to many requests for information about Class I injection wells and is in the process of permitting two Class I wells. One new Class I well is projected for permitting in 2016. Many proposed oilfield waste disposal sites are also considering Class I wells, and some facilities are evaluating injection of treated wastewater as a disposal option.

The number of public water systems in the oilfield has significantly increased, and each system requires the completion of a Wellhead Protection Area report. This report includes the delineation of the protection area, completion of a contaminant source inventory and a susceptibility analysis (Figure 25). In the last year, 32 reports have been prepared, including four reports for new non-community water systems. It is estimated that 65 reports will be prepared in 2016.

A significant number of calls have come from the public related to sampling of private wells (e.g., how to sample, where to send samples, what to analyze, perceived impacts to wells, etc.). Workload related to siting reviews for landfills and facilities, such as confined animal feeding operations (CAFOs), has increased significantly (Figure 25). Before the oil boom, one or two landfill pre-applications were received per year. In 2015, two oilfield special waste landfill pre-applications were received and reviewed by program staff. If the facilities obtain zoning approval, they will move through the application process requiring review by program staff. It is estimated that approximately 10 landfill and CAFO siting evaluations will be completed in 2016.

A number of Freedom of Information Act open-records requests (194) were processed by program staff during 2015 (Figure 24). In 2014, 180 requests were processed. It is anticipated that approximately 239 requests will be processed by program staff in 2016. Due to the past growth in oil and gas production, North Dakota is known nationwide as a large oil- and gas-producing state, and this has resulted in increased information requests from across the country. Many of these requests are broad in scope and take additional staff time to compile.

The Western Ground Water Monitoring Program was implemented in 2013 to evaluate ground water conditions in selected aquifers within the oil-producing areas of northwestern North Dakota. Approximately 135 observation wells in 20 aquifers are sampled as part of the Western Program. The initial round of sampling was completed between fall of 2013 and 2015. Sampling is currently being conducted on a 1.5-year rotation; approximately 45 wells are sampled each spring and each fall. Based on the results obtained as the sampling program progresses, wells may be added or deleted from the sampling program. The Western Program is conducted separately from the Agricultural Ground Water

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Monitoring Program that was implemented in 1992, and it adds more workload for Ground Water Protection Program staff.

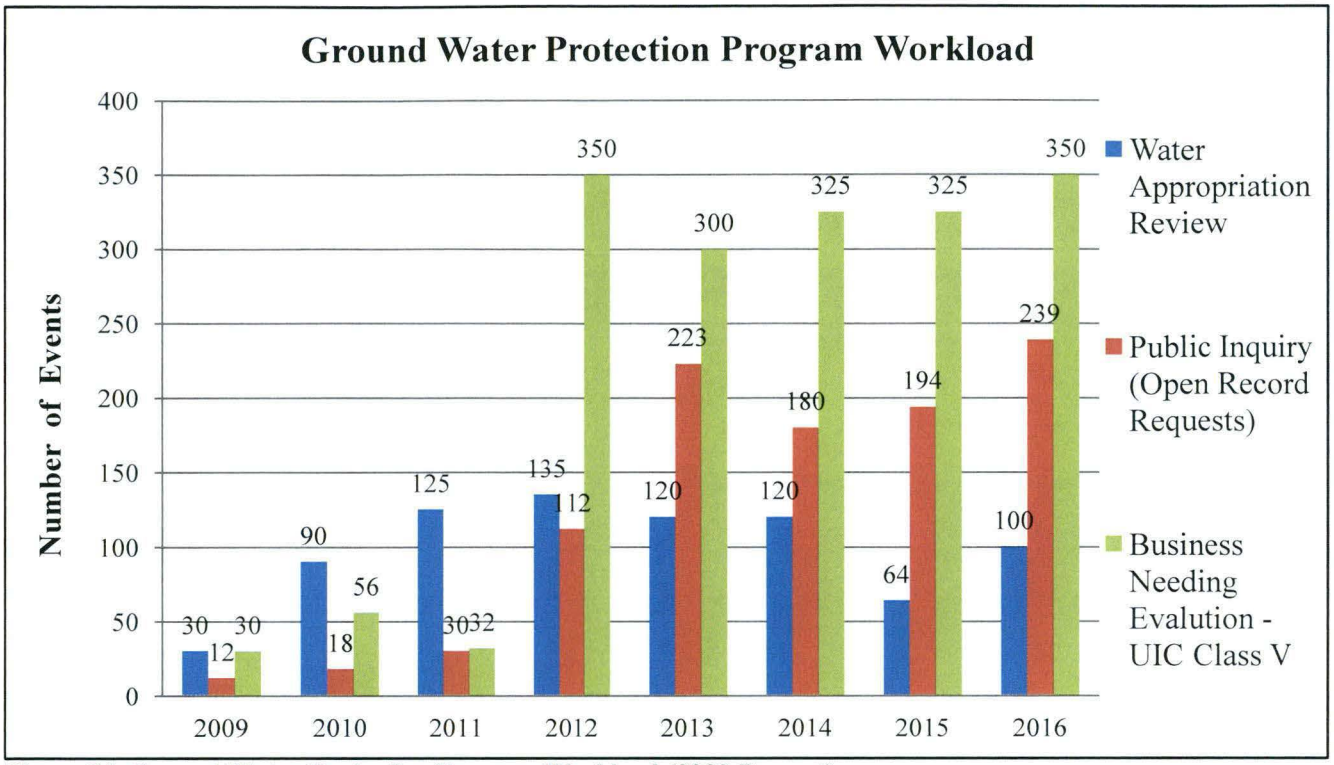

Figure 24. Ground Water Protection Program Workload (2009-Present)

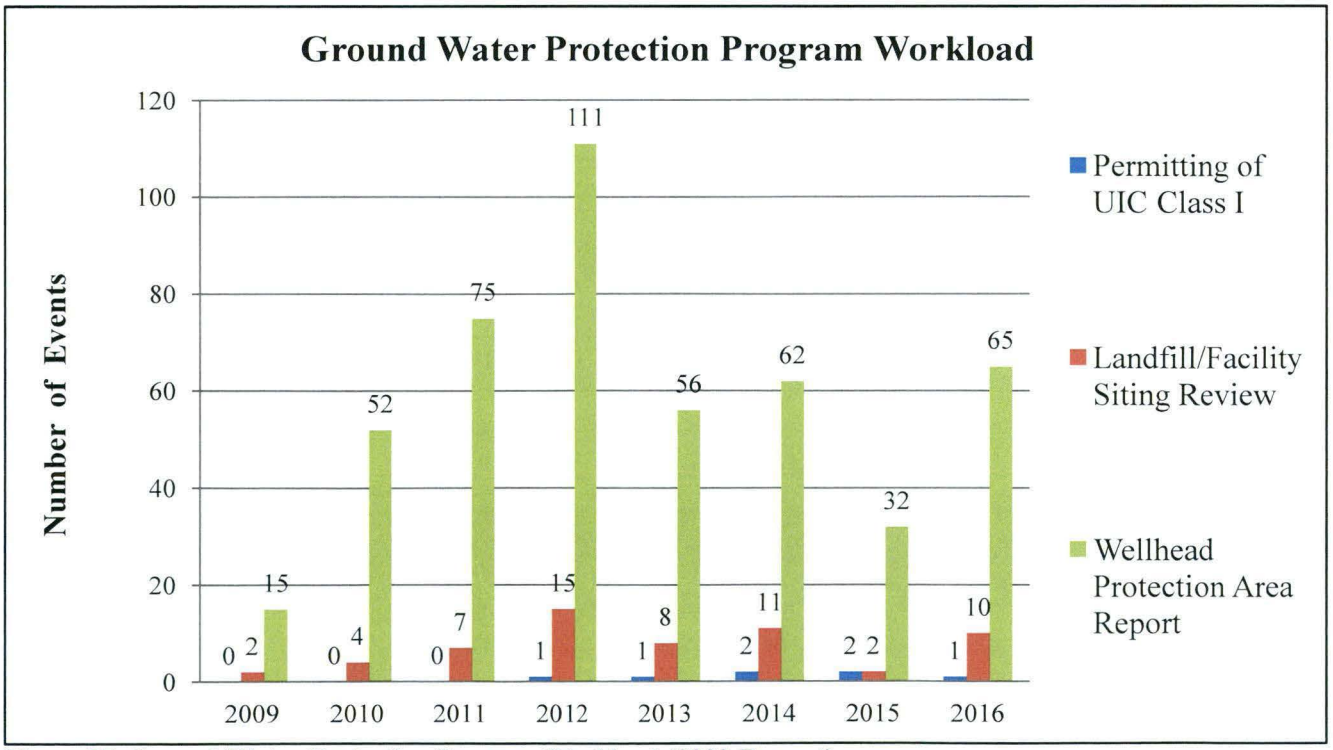

Figure 25. Ground Water Protection Program Workload (2009-Present)

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Figure 26 shows formal enforcement actions relating to violations of environmental statutes from 2010 to date. Enforcement actions require considerable staff time relating to case investigation, technical evaluation, monitoring and compliance reviews.

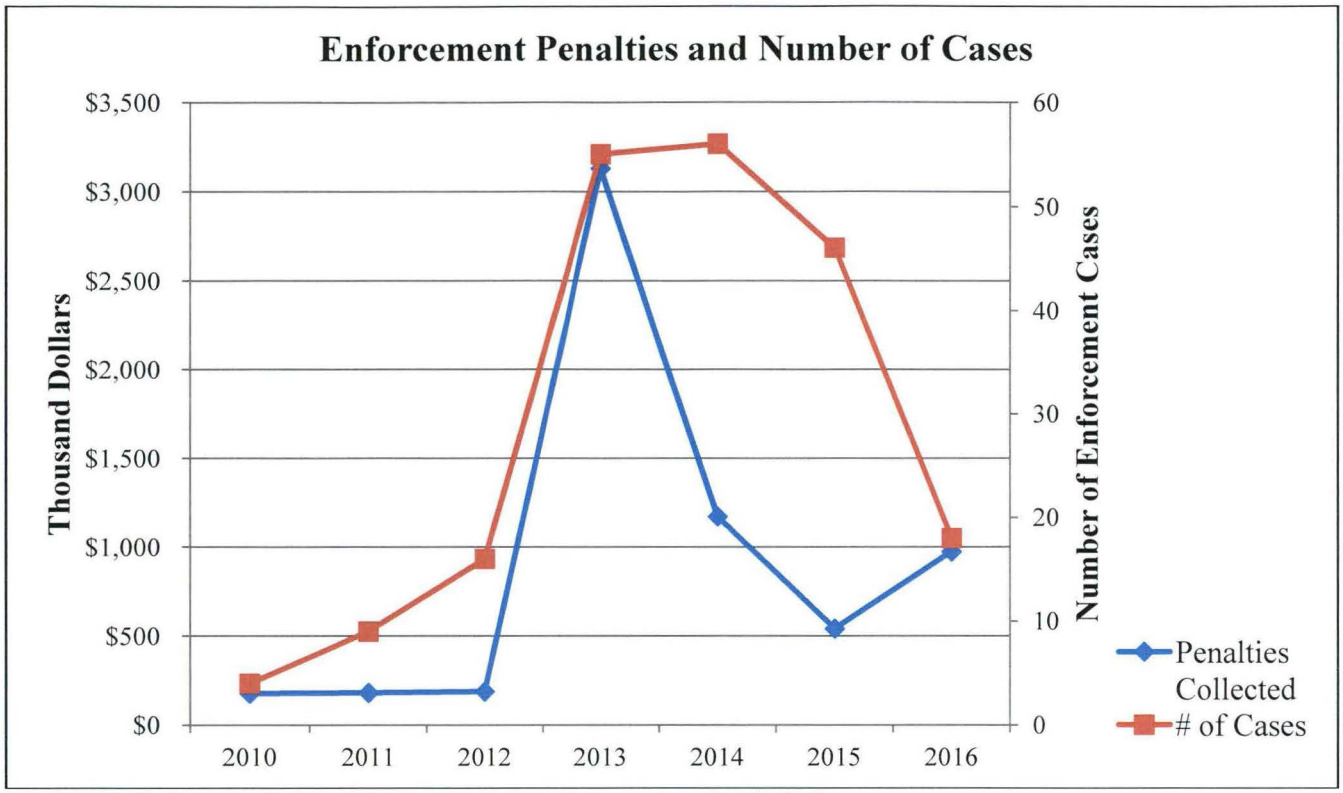


Figure 26. Enforcement Penalties and Number of Cases (as of 10/19/16)

III. Current Challenges

#4 p24

A. Division of Air Quality

Given the increased level of workload and complexity of the rules and regulations implemented and enforced, the division will be challenged to maintain its level of regulatory oversight and air quality monitoring.

B. Division of Laboratory Services

The division will be exploring ways to preserve the capabilities of the laboratory within existing budgets. Maintenance of instruments and replacement or upgrading of equipment and supplies are crucial to continued laboratory proficiency.

C. Division of Municipal Facilities

The division continues to experience increases in workload due to oilfield development activities. The increased workload is compounded by implementation of new and revised SDWA and State Revolving Loan Fund (SRLF) Program requirements; heightened community interest in using the SRLF programs for financial assistance to address infrastructure needs; and stagnant or reduced federal funding which impacts the division's ability to maintain state delegation for its programs. These challenges are not short-term but long-term.

D. Division of Waste Management

The significant increase in the number of pre-applications and applications for new or expanding landfills, both municipal solid waste and oilfield special waste, has greatly increased the workload. At the same time, there is an increased need for inspections at existing facilities and site visits to the new facility locations, which also takes significant staff time. Responding to illegal dumping and improper TENORM management incidents has also taken considerable staff time. At current budget levels, the division intends to address the existing workload with current staff.

E. Division of Water Quality

The Division of Water Quality continues to address both current and past spills to ensure appropriate cleanup. Continued oversight of ongoing remediation projects will require the retention of existing trained staff and the training of replacements due to turnover. Current budget level restraints will necessitate using existing positions. Enforcement actions and field/permitting activities will be prioritized.

1-12-17 SB 2004 + 2065

#3
P 1

American Heart Association | American Stroke Association
life is why™

you're the cure

SB 2004, SB 2064

Department of Health Appropriation
Tobacco Prevention Appropriation

Testimony – June Herman, American Heart Association

Good morning Chairman Holmberg and members of the Senate Appropriation Committee. For the record, I am June Herman, Regional Vice President of Advocacy for the American Heart Association.

I recognize this committee has many vehicles upon which to address the public health issues faced by our state, and a simple selection of "support, oppose" of any one bill is even more complex than normal. Given this complexity, my testimony is directed towards specific state investments that the American Heart Association strongly supports and encourages inclusion within whatever vehicle moves forward.

Cardiac and Stroke Systems of Care

The 2015 – 2017 budget provided $856,200 stroke, $200,000 cardiac systems of care as separate budget items. In recognition of the state fiscal situation, we recommended combining them together to enable stronger work within the cardiac system, equaling out opportunities for both systems without requesting additional funds, totaling $1,056,200 for the combined system appropriation. The executive budget recommendation provided $756,418. In addition, the funds within the Department of Education budget of one time grant funds of $450,000 to support CPR skills training in schools is zeroed out for the coming biennium. If we can maintain systems of care funding at the 2015 – 2017 budget level, the cardiac task force could explore how to ensure training resources are available to support students learning CPR skills moving forward.

Both systems aim to save lives and to reduce long term disability due to heart or brain damage. While great strides have been made, heart and stroke remains North Dakota's leading cause of death, and stroke the leading admission to long term care.

The two task forces, the stakeholder partners and division of emergency medical systems have undertaken a significant workload this biennium, and are recognized as national leaders in rural systems of care. Highlights:

- Statewide data registries used for system and care improvement
- Consensus emergency treatment plans (algorithms) and training
- Transport plans specific to each EMS service based on area hospital designations
- Rural hospital designation process
- 1st in the nation – working on overall cardiac transport plans
- System data review and training on local, regional and state level for hospital care leads and EMS partners
- Cardiac Ready Community designation (notable stories of impact: Powers Lake, Wishek. Over a dozen other communities working on designation criteria.)

As a result:

- North Dakota is testing new national AHA standards for rural stroke emergency response prior to new science based practices being promulgated
- Helps to make North Dakota a more attractive practice market for cardiac and stroke medical specialists in a competitive national market
- And most of all, saving lives and reducing disabilities

The systems of care work are an important link to impacting the downstream sick care burdens for the state. Going further upstream, another appropriation priority is comprehensive tobacco prevention funding, with sufficient resources to support best and promising practices as recommended by CDC. If the responsibility for a comprehensive program is moved to the Department of Health, do so with the resources to effectively implement efforts that can achieve reduction in tobacco use.

I'm happy to answer any questions you may have.

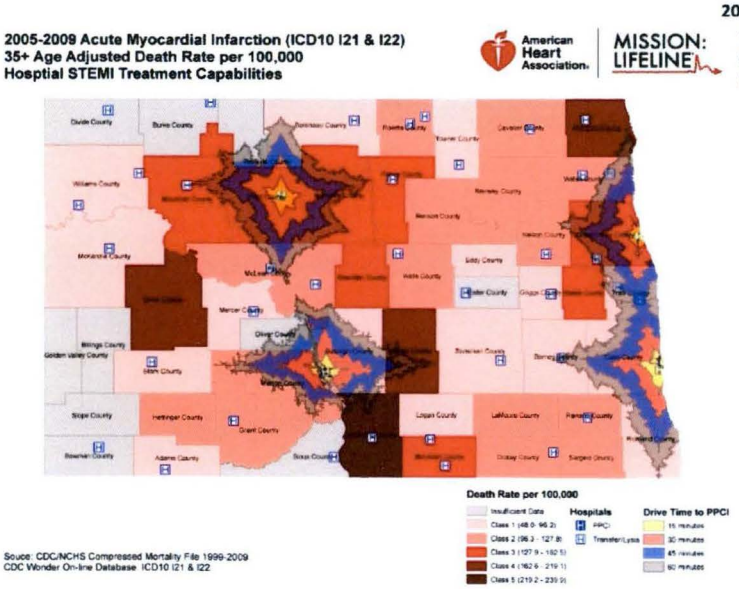
1-12-17 SB2004 2164 #5 P3

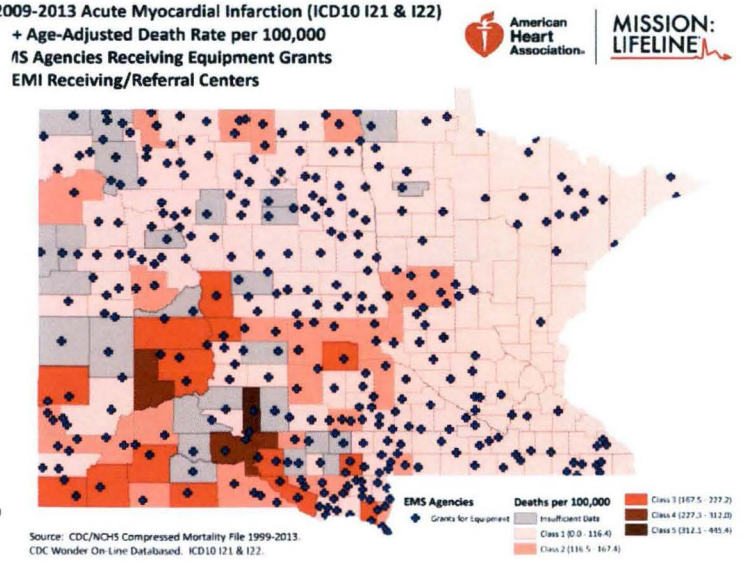
Leading Causes of Death In North Dakota

Major Cardiovascular Diseases including stroke 1,632 (26.9%)	**Chronic Lower Respiratory Diseases** 347 (5.7%)
Cancer 1,254 (20.7%)	**Accidents** 332 (5.5%)
Alzheimer's Disease 435 (7.2%)	**Diabetes** 199 (3.3%)

- According to the American Heart Association, cardiovascular diseases cost North Dakota $1.1 billion in 2010. This includes the cost of health expenditures (physicians and other professionals, hospital and nursing home services, medications, home health care and other medical items) and lost productivity.

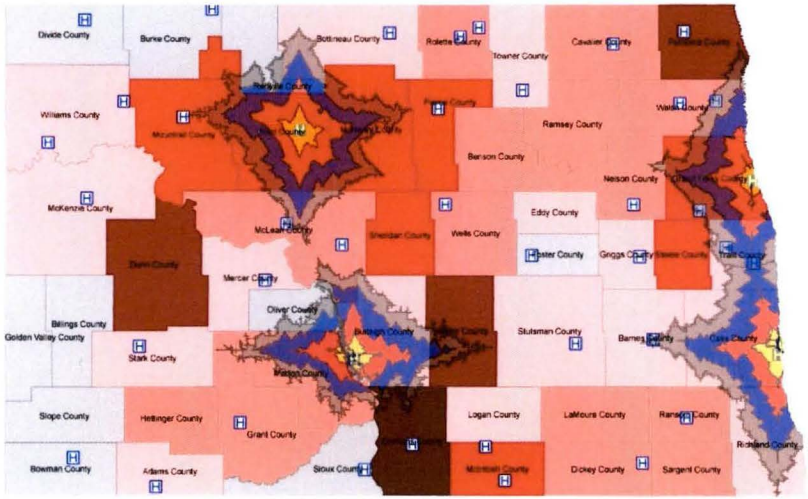
- Overall, researchers found that baby boomers (current 46 to 64 year olds) have higher rates of chronic disease, more disability and lower self-rated health than the previous generation at the same age. They are more likely to be obese and less physically active than the previous generation (Chart 12). Baby boomers also have greater rates of high blood pressure, high cholesterol and diabetes. https://www.nd.gov/dhs/info/pubs/docs/medicaid/ltc-interim-report.pdf





2005-2009 Acute Myocardial Infarction (ICD10 I21 & I22)
35+ Age Adjusted Death Rate per 100,000
Hosptial STEMI Treatment Capabilities

American Heart Association. | MISSION: LIFELINE



Death Rate per 100,000

- Insufficient Data
- Class 1 (48.0 - 96.2)
- Class 2 (96.3 - 127.8)
- Class 3 (127.9 - 162.5)
- Class 4 (162.6 - 219.1)
- Class 5 (219.2 - 239.9)

Hospitals

- PPCI
- Transfer/Lysis

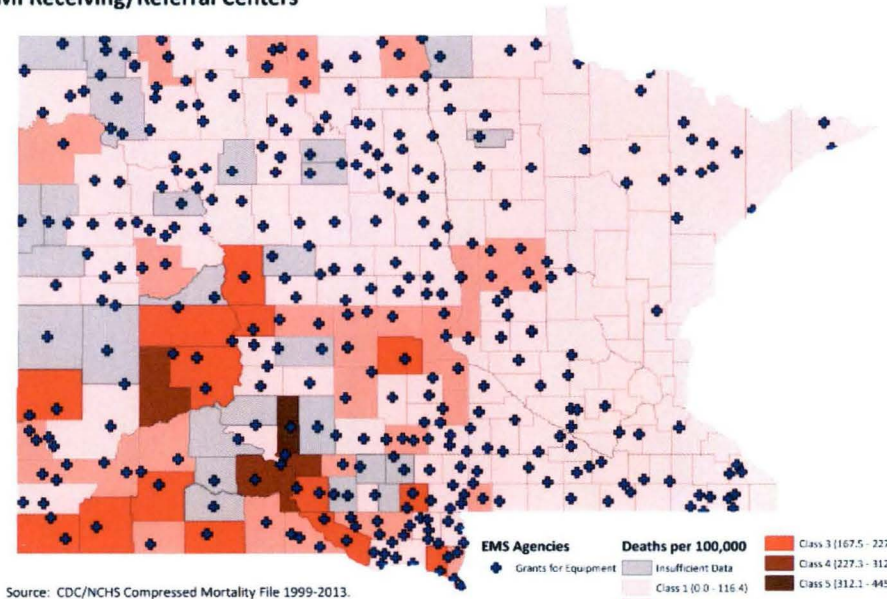
Drive Time to PPCI

- 15 minutes
- 30 minutes
- 45 minutes
- 60 minutes

Souce: CDC/NCHS Compressed Mortality File 1999-2009.
CDC Wonder On-line Database. ICD10 I21 & I22.

2009-2013 Acute Myocardial Infarction (ICD10 I21 & I22)
35+ Age-Adjusted Death Rate per 100,000
EMS Agencies Receiving Equipment Grants
STEMI Receiving/Referral Centers

American Heart Association. | MISSION: LIFELINE



EMS Agencies

- Grants for Equipment

Deaths per 100,000

- Insufficient Data
- Class 1 (0.0 - 116.4)
- Class 2 (116.5 - 167.4)
- Class 3 (167.5 - 227.2)
- Class 4 (227.3 - 312.0)
- Class 5 (312.1 - 445.4)

Source: CDC/NCHS Compressed Mortality File 1999-2013.
CDC Wonder On-Line Databased. ICD10 I21 & I22.

1-12-17 SB2004 + 2064

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North Dakota Veterinary Medical Association

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Phone: 701-221-7740 • **Fax:** 701-751-4451
E-mail: ndvma@btinet.net • **Website:** www.ndvma.com

Testimony of Deana Wiese

North Dakota Veterinary Medical Association

In Support of SB 2004

January 12, 2017

Chairman Holmberg and Members of the Senate Appropriations Committee:

My name is Deana Wiese, and I am representing the North Dakota Veterinary Medical Association (NDVMA). I am here today to voice support for SB 2004, specifically as it relates to the Veterinarian Loan Repayment Program.

NDVMA has spent more than a century representing the interests of veterinarians, their clients and patients. Today, the organization has more than 275 members representing small, large animal, exotic, bovine and equine practitioners, and those veterinarians working in research, academic and government capacities.

The purpose of the Veterinarian Loan Repayment Program is to attract new food animal veterinarians to the state to practice in areas of need, specifically rural communities. The program has been successful in doing just that. Since 2007, when the program was authorized by the legislature, 29 veterinarians have been selected with 26 completing or currently completing their terms of service. Of those 26, all but one continue to practice in North Dakota with 24 in mixed or large animal practice. At least 13 are practice owners, either sole or in partnership.

Dr. Angela Steinley, a current recipient of the program and practicing food-animal vet in Beach, North Dakota, asked me to share her appreciation for the program. Her letter is attached.

According to the State Board of Animal Health, the number of applicants each year greatly exceeds the funding. We are currently aware of seven openings in rural North Dakota communities. These are additional indications of the value of the program.

In addition, according to the American Veterinary Medical Association, the debt-to-income ratio (DIR) for recent graduates in veterinarian medicine in 2015 was 2:1. In comparison, a 2011 report from the Congress' Joint Economic Committee indicates that of students with outstanding debt, the ratio is .6:1. There currently is a national effort in the veterinary industry to decrease the DIR to 1.4:1 to ensure the financial viability of the profession. This program helps meet that objective for veterinarians serving in rural areas in North Dakota with high demand for food-animal services.

NDVMA has greatly appreciated your support of the program in the past and strongly encourages its continued funding.

1-12-17 SB 2004 + 2064

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To whom it may concern,

I am a past recipient of the North Dakota Veterinary Loan Repayment Program. I signed up for four years of service in exchange for money to help pay back my student loans. This letter is to express my gratitude for this program and to let you know what a difference it has made for me. The reason, I believe, for this program was to retain more mixed animal or food animal veterinarians in this state. At least with me, this program has done exactly that.

I am originally from eastern Iowa and had never been to North Dakota when I came out for an interview during my 4th year at Iowa State in 2009. The practice was exactly what I was looking for (very mixed animal with a great mentoring veterinarian.) Because of that I made the decision to move here, despite the fact I knew no one out here and all my family was back in Iowa.

In the fall of 2012 I was considering moving back to Iowa to be closer to my family. The cost of living here was fairly high and the pay was pretty low (an unfortunate combination of oil field activity in a rural area.) The veterinarian I was working for was looking to retire and sell his practice, so buying the practice was another option for me. I decided to try applying for the Loan Repayment program one more time before making my decision.

My acceptance into the Loan Repayment Program in 2013 helped me make my decision. Financially it made the most sense to stay here another four years and have my student loans paid off. If I was going to commit to four more years here I decided I would like to do that as a practice owner.

This program allowed me to be able to purchase a house and the veterinary practice I had been working in for the last four years. I have been very happy with my decision. I have now been in North Dakota over seven years and in many ways I can't imagine moving back to Iowa. In the last four years I have also met my husband (who is from the Montana/North Dakota area). I am very rooted here now and do not foresee myself moving out of the area until after I retire (and likely not even then.)

In closing I just wanted to say thank you to all involved in making this program possible. It has been amazingly beneficial to me and allowed me to do things I may never have thought possible. I feel it has also fulfilled your goal in retaining veterinarians in the area long term.

Thank you,

Dr. Angela Steinley
Beach Veterinary Clinic
Beach, ND

1-12-17 SB 2004 + 2064

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North Dakota Stockmen's Association
Testimony to the Senate Appropriations Committee
on SBs 2004 & 2064
Jan. 12, 2017

Good morning, Mr. Chairman and members of the Appropriations Committee. For the record, my name is Julie Ellingson and I represent the North Dakota Stockmen's Association.

I appear here in support of SB 1004 and, specifically, the Environmental and Rangeland Protection Fund appropriation, which supports the Stockmen's Association's Environmental Services Program. The Environmental Services Program is a statewide program that was launched in 2001 to help cattle producers minimize air and water quality impacts and comply with state and federal environmental regulations associated with feeding. The program does so by helping producers identify and implement cost-effective solutions that enhance the environment and their potential for profitability.

Since its debut and with the support of the Health Department and the State Legislature, the Stockmen's Association's Environmental Services Program has been very effective. Our Environmental Services director has been invited onto 699 beef cattle operations – at least one in every county – to conduct a free, confidential assessment of the animal feeding operation and to determine how it fits with state and federal regulations. From those on-site assessments, the director has also developed more than 200 Stockmen's Stewardship Support Program and Environmental Quality Incentive Program contracts for cost-share assistance to help producers install appropriate animal waste handling systems and other environmentally friendly best management practices.

Even more impressive is how the program has helped producers reduce the amount of pollutants, such as suspended solids, nitrogen, phosphorus and fecal coli-form, from entering into waters of the state. Since 2001, the Stockmen's Association's Environmental Services Program has helped permit more than 100,000 head of cattle and, more significantly, reduce nitrogen and phosphorus annual concentrations by an estimated 83 percent on those permitted livestock operations.

The Stockmen's Association enjoys a strong working relationship with the Health Department. Because of our daily contact and close affiliation with the state's beef cattle producers, we are able to administer services and answer questions for folks who may not be inclined to contact a regulatory agency directly.

Cattle producers' livelihood and legacy depend on the way they care for their animals, the land they graze and the water they drink. Your support of this budget will help cattle producers be good stewards of their environment, which benefits this and future generations of North Dakotans.

We would also like to acknowledge our strong support of the Veterinary Loan Repayment program, which incentivizes large-animal veterinarians to practice in North Dakota. There continues to be vet shortages in parts of the state, and this program helps place the right kind of vets in places they are needed.

For these reasons, we ask for your favorable consideration as you work through this budget.

1-12-17

SB 2004 + 2064

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Testimony
Senate Bill 2004
Senate Appropriations Committee
Thursday, January 11 2017
North Dakota Emergency Medical Services Association

Good morning, Chairman Holmberg and members of the committee. My name is Adam Parker, and I am a member of the North Dakota Emergency Medical Services Association's (NDEMSA) Advocacy Committee, as well as a member of their Board of Directors representing the southwest region of our state. I am here today in support of SB 2004.

The Health Department's budget includes $7.125 million for grants to ambulance services to offset operational costs that are not recovered through the billing process. It should be noted that the $7.125 million will help our volunteer EMS responders but even at that level the Health Department would be unable to fund all of the likely grant applications; there were $16 million in grant requests in the last biennium.

Ambulance services across our state are facing strong challenges. Volunteer labor accounts for $31 million donated by our EMS providers to the health and safety of North Dakota. That volunteer labor pool is dwindling; therefore services struggle to recruit new volunteer members and to hire paid staff. Additionally, many patients are uninsured or underinsured leaving rural ambulance services unable to collect sufficient revenue. These forces of increased labor costs and decreasing reimbursement are stressing the system we have in place. The rural ambulances appreciate the continued focus on keeping them viable.

This concludes my testimony, I am happy to answer any questions you may have.

Recommendation Comparison Summary
301 Department of Health
Biennium 2017-2019

Description	Executive Budget Recommendation	Remove Compensation /1	5% Health Insurance /2	Remove FTE /3	Adjustments /4	Change +/-	Revised Executive Recommendation
By Line Item							
Salaries and Wages	64,811,889	(256,741)	(561,451)	(139,041)		(957,233)	63,854,656
Operating Expenses	38,494,458				(100,000)	(100,000)	38,394,458
Capital Assets	3,446,740					0	3,446,740
Grants	58,135,670					0	58,135,670
Tobacco Prevention and Control	5,697,761	(3,353)	(7,527)			(10,880)	5,686,881
WIC Food Payments	20,200,000					0	20,200,000
Medical Marijuana	7,057,644	(8,990)	(19,492)	(524,278)	(288,000)	(840,760)	6,216,884
Total Line Items	**197,844,162**	**(269,084)**	**(588,470)**	**(663,319)**	**(388,000)**	**(1,908,873)**	**195,935,289**
By Funding Source							
General Funds	45,677,050	(139,144)	(300,680)	(261,019)	(188,000)	(888,843)	44,788,207
Federal Funds	118,990,680	(105,692)	(234,086)	(27,808)		(367,586)	118,623,094
Special Funds	33,176,432	(24,248)	(53,704)	(374,492)	(200,000)	(652,444)	32,523,988
Total Funding Sources	**197,844,162**	**(269,084)**	**(588,470)**	**(663,319)**	**(388,000)**	**(1,908,873)**	**195,935,289**
Total FTE	**381.00**			**(5.00)**		**(5.00)**	**376.00**

/1 The 0% and 1% increase for state employee salaries has been removed.
/2 Employees will be required to pay for 5% of their health insurance premium.
/3 Removes 5.00 additional FTE.
/4 Reduces the general fund appropriation of the executive budget recommendation by 1%.

SB 2004/2064
Subcommittee
1-24-2017
#1

SB 2004
2-2-17
#1

ND Department of Health

Tobacco Prevention Program

Subcommittee Request

SB 2004

ND Department of Health
SB 2064 / SB 2004
2015 - 2017 Appropriation
Current Structure

	Cessation	Health Communica-tions	Infrastructure, Administration & Mgmt	Surveillance & Evaluation	State & Community Based Interventions	Total	
ND CENTER	3,461,297	2,653,187	835,874	1,710,811	7,886,870	16,548,039	
NDDoH	3,210,903	1,809,428	358,856	366,033	664,957	6,410,177	*
Total	6,672,200	4,462,615	1,194,730	2,076,844	8,551,827	22,958,216	
CDC Suggested**	8,045,136	2,988,836	988,788	1,955,103	8,494,585	22,472,448	
Variance	(1,372,936)	1,473,779	205,942	121,741	57,242	485,768	

Does not include the $500,000 granted to DoH by ND Center for Tobacco Prevention and Control Policy (BreatheND). This is included in the ND CENTER amounts.

* **$6,410,177 reflects the Budget. The actual amount received was less, due to a reduction in the CDC Tobacco Control grant.**

** **Amounts adjusted for population and inflation**

ND Department of Health
SB 2064 / SB 2004
2017 - 2019 Requested Budget as Submitted to OMB

	Cessation	Health Communica-tions	Infrastructure, Administration & Mgmt	Surveillance & Evaluation	State & Community Based Interventions	Total
ND CENTER	4,489,996	3,045,805	720,731	1,814,096	8,184,295	18,254,923
NDDoH	3,899,721	71,045	310,407	224,746	674,121	5,180,040
Total	8,389,717	3,116,850	1,031,138	2,038,842	8,858,416	23,434,963
CDC Suggested *	8,903,949	3,307,892	1,094,340	2,163,809	9,401,376	24,871,366
Variance	(514,232)	(191,042)	(63,202)	(124,967)	(542,960)	(1,436,403)

Does not include the $500,000 granted to DoH by ND Center for Tobacco Prevention and Control Policy (BreatheND). This is included in the ND CENTER amounts.

* **Amounts adjusted for population and inflation**

2017 - 2019 Executive Budget (Dalrymple Budget)
Draft Comprehensive Tobacco Program Budget

	Cessation	Health Communica-tions	Infrastructure, Administration & Mgmt	Surveillance & Evaluation	State & Community Based Interventions	Total
ND CENTER	-	-	-	-	-	-
NDDoH	3,315,020	850,000	360,000	467,721	3,705,020	8,697,761
Total	3,315,020	850,000	360,000	467,721	3,705,020	8,697,761
CDC Suggested *	8,903,949	3,307,892	1,094,340	2,163,809	9,401,376	24,871,366
Variance	(5,588,929)	(2,457,892)	(734,340)	(1,696,088)	(5,696,356)	(16,173,605)

* **Amounts adjusted for population and inflation**

North D[redacted]ta Department of Health - Draft Comprehensi[redacted]obacco Program Budget for 2017-19 Biennium[redacted]

Best Practice Category	Expenses	Budget
Cessation	National Jewish Health contract (call center and nicotine replacement therapy distribution)	$ 970,000
	UND (phone counselors)	$ 600,000
	Grants to health systems (systems changes related to electronic health record (EHR) workflows, e-referral to NDQuits, training for staff on cessation/motivational interviewing/etc.)	$ 1,460,000
	DoH staff and operations	$ 285,020
	Cessation Subtotal	**$ 3,315,020**
Health Communications	Odney Advertising (cessation program promotion)	$ 850,000
	Health Communications Subtotal	**$ 850,000**
Infrastructure, Administration and Management	DoH staff and operations	$ 360,000
	Infrastructure, Administration and Management Subtotal	**$ 360,000**
Surveillance and Evaluation	North Dakota Youth Tobacco Survey (odd numbered years)	$ 30,000
	North Dakota Adult Tobacco Survey (odd numbered years)	$ 80,000
	Professional Data Analysts (external evaluation contract)	$ 250,000
	DoH staff and operations	$ 107,721
	Surveillance and Evaluation Subtotal	**$ 467,721**
State and Community-Based Interventions	LPHU regional grants to work with communities to advance priority best/promising practices* (funding for one tobacco coordinator for each of the 8 regions of the state)	$ 2,000,000
	LPHU formula-based tobacco state aid (all LPHUs would receive)	$ 1,000,000
	Tribal community interventions (smoke-free casinos/policies, price increases, etc.)	$ 400,000
	Tobacco Prevention and Control Advisory Committee (committee to provide input to DoH on community grant program, assist in reviewing/scoring grants)**	$ 20,000
	DoH staff and operations	$ 285,020
	State and Community-Based Interventions Subtotal	**$ 3,705,020**
	GRAND TOTAL	**$ 8,697,761**

*Examples of tobacco prevention and control best practices that would be appropriate for LPHU grants: work towards decreasing the effects of secondhand smoke (multi-unit housing policies, tobacco-free outdoor areas); strategies to prevent youth from using tobacco (tobacco-free school grounds policies, local ordinances that restrict youth access at the point of sale, tobacco retailer education/enforcement); strategies to address tobacco-related disparities; collaborating with partner organizations to develop plans and evaluation measures for the community and implementing interventions to make progress on the measures.

**NDCC Chapter 23-38 (Community Health Grant Program) needs to be updated to reflect current practices. Updates are also needed to the Community health grant program advisory committee - Duties of state health officer section.

North Dakota Department of Health
Tobacco Program FTEs and Duties
February 2017

Title	FTE	Duties
Director, Division of Chronic Disease	.3	This position directs the overall operations of the division. The director is responsible for planning, organizing, directing, and evaluating the tobacco prevention and control program and conducting staff performance evaluations.
Tobacco Prevention and Control Program Director	1.0	The tobacco director oversees the implementation of the North Dakota Department of Health tobacco plan; coordinates with other agencies and organizations; promotes the development of a competent tobacco control workforce in the state; and oversees NDQuits administration/operations. This position oversees the tobacco program budget. The tobacco director is responsible for promoting the coordination of other cessation services with NDQuits and conducting staff performance evaluations.
Chronic Disease Epidemiologist	.5	This position coordinates surveillance for the division. This includes overseeing the systematic collection, analyzing and reporting of data, tracking of trends, and identifying gaps and disparities in data and programmatic activities. The data analyst leads the development and implementation of tobacco surveillance systems and is responsible for the development of reports and other communications regarding survey findings. The data analyst also provides technical assistance and consultation to partners on surveillance.
Health Systems Coordinator	1.0	This position is responsible for outreach to healthcare systems and community clinics to implement tobacco cessation interventions and systems changes. This position works to organize and manage the program goals of the NDQuits Cessation Grants, Baby & Me Tobacco Free Grants, and other cessation interventions. This position also oversees the North Dakota Public Employees Retirement System (NDPERS) and City/County cessation programs. This position provides technical assistance and consultation to these grant programs to assist with applications, budget preparation, development of goals and objectives, and monitoring and surveillance.
Health Communications and Disparities Coordinator	1.0	This position coordinates community tobacco prevention and control activities including providing training and technical assistance to communities, partners and coalitions. This position works directly with Tribal Tobacco Programs, including providing technical assistance and consultation to these grant programs to assist with applications, budget preparation, development of goals, objectives, monitoring, and surveillance, and coordination of the Intertribal Tobacco Abuse Coalition. The communications and disparities coordinator also works with media for the tobacco program.
Administrative Assistant	.5	This position provides administrative support for program activities. This includes general program office management such as word processing, database management, scheduling, and other secretarial support services as required of the program.
Administrative Assistant	.25	This position provides back up administrative support for tobacco prevention and control activities. This includes general program office management such as word processing, database management, scheduling, and other secretarial support services as required of the program.
IT Coordinator	.15	This position is responsible for maintaining equipment for electronic communications and collection of data. This position works with program staff to ensure software programs for data and surveillance and the website are operating to meet program needs. This position advises the program data team on technical matters. This position relates to the surveillance and evaluation component and the website maintenance.
Grants/Contracts Officer	.15	This position provides procurement support, reviews grant applications and reviews contracts for the tobacco prevention and control programs.
Total	**4.85**	

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#2

ANALYSIS OF THE TOBACCO PREVENTION AND CONTROL TRUST FUND FOR THE 2015-17 AND 2017-19 BIENNIUMS (REFLECTING THE 2017-19 BIENNIUM EXECUTIVE BUDGET RECOMMENDATION)

	2015-17 Biennium		2017-19 Biennium	
Beginning balance		$49,341,421		$55,897,620
Add estimated revenues				
Tobacco settlement revenues collected to date	$11,480,889[1]			
Projected tobacco settlement revenues	11,480,889[2]		$0[2]	
Investment and miscellaneous revenue	142,460[3]		142,460[3]	
Total estimated revenues		23,104,238[4]		142,460[4]
Total available		$72,445,659		$56,040,080
Less estimated expenditures and transfers				
Tobacco Prevention and Control Executive Committee:	$16,548,039[5]		$0[5]	
Expenditures pursuant to 2015 HB 1024				
State Department of Health (2017 SB 2064):				
Local public health unit grants			$4,000,000	
Cancer programs			744,804	
Stroke and cardiac care programs			756,418	
Physician loan repayment program			480,000	
Behavioral health loan repayment program			243,640	
Tobacco program grant			500,000	
Department of Human Services (2017 HB 1072):				
Medicaid grants			15,000,000	
Opioid treatment			1,799,076	
Total estimated expenditures and transfers		16,548,039		23,523,938
Estimated ending balance		$55,897,620		$32,516,142

[1]As of October 2016 the state has received tobacco settlement payments totaling $31,947,333 for the 2015-17 biennium, of which $20,466,444 was deposited in the tobacco settlement trust fund and $11,480,889 was deposited in the tobacco prevention and control trust fund. To date, the state has received total tobacco settlement collections of $495,923,569, including $387,862,947 under subsection IX(c)(1) of the Master Settlement Agreement and $108,060,622 under subsection IX(c)(2) of the Master Settlement Agreement. Of the $495,923,569, $401,660,676 has been deposited into the tobacco settlement trust fund and $94,262,893 has been deposited into the tobacco prevention and control trust fund.

[2]Tobacco prevention and control trust fund revenues have been estimated based on actual revenues received through October 2016 and estimated revenues per the December 2016 executive budget revenue forecast for the 2017-19 biennium. The executive budget revenue forecast does not include a deposit in the tobacco prevention and control trust fund because the last payment under subsection IX(c)(2) of the Master Settlement Agreement is anticipated in April 2017.

[3]In August 2015 the Tobacco Prevention and Control Executive Committee entered into an agreement with the State Investment Board to provide investment management services for the tobacco prevention and control trust fund. On September 30, 2015, the Tobacco Prevention and Control Executive Committee transferred $47.3 million to the State Investment Board for management. The investment policy statement adopted by the executive committee includes an asset mix of 75 percent global fixed income, 10 percent global equity, and 15 percent cash. Estimated investment income reflects earnings and realized gains, but does not include changes in the market value of the investments.

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North Dakota Department of Health - Draft Comprehensive Tobacco Program Budget for 2017-19 Biennium

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Best Practice Category	Expenses	Budget	
Cessation	National Jewish Health contract (call center and nicotine replacement therapy distribution)	$ 970,000	
	UND (phone counselors)	$ 600,000	
	Grants to health systems (systems changes related to electronic health record (EHR) workflows, e-referral to NDQuits, training for staff on cessation/motivational interviewing/etc.)	$ 1,710,000	-1,460,000
	Grants to LPHUs (community-based cessation interventions)	$ 900,000	
	DoH staff and operations	$ 285,020	
	Cessation Subtotal	**$ 4,465,020**	4,215,000
Health Communications	Odney Advertising (cessation program promotion and/or secondhand smoke awareness, youth prevention advertising)	$ 1,250,000	1,150,000
	Health Communications Subtotal	**$ 1,250,000**	1,150,000
Infrastructure, Administration and Management	DoH staff and operations	$ 360,000	
	Infrastructure, Administration and Management Subtotal	**$ 360,000**	360,000
Surveillance and Evaluation	North Dakota Youth Tobacco Survey (odd numbered years)	$ 30,000	
	North Dakota Adult Tobacco Survey (odd numbered years)	$ 80,000	
	Professional Data Analysts (external evaluation contract)	$ 550,000	450,000
	DoH staff and operations	$ 107,721	
	Surveillance and Evaluation Subtotal	**$ 767,721**	667,721
State and Community-Based Interventions	LPHU regional grants to work with communities to advance priority best/promising practices* (funding for 15 regional tobacco coordinators)	$ 3,750,000	5,555,000
	LPHU formula-based tobacco state aid (all LPHUs would receive)	$ 1,000,000	
	Tribal community interventions (smoke-free casinos/policies, price increases, etc.)	$ 600,000	
	Tobacco Prevention and Control Advisory Committee (committee to provide input to DoH on state tobacco plan, etc.)**	$ 20,000	
	DoH staff and operations	$ 485,020	
	State and Community-Based Interventions Subtotal	**$ 5,855,020**	7,660,020
	GRAND TOTAL	**$ 12,697,761**	14,052,741

*Examples of tobacco prevention and control best practices that would be appropriate for LPHU grants: work towards decreasing the effects of secondhand smoke (multi-unit housing policies, tobacco-free outdoor areas); strategies to prevent youth from using tobacco (tobacco-free school grounds policies, local ordinances that restrict youth access at the point of sale, tobacco retailer education/enforcement); strategies to address tobacco-related disparities; collaborating with partner organizations to develop plans and evaluation measures for the community and implementing interventions to make progress on the measures.

**NDCC Chapter 23-38 (Community Health Grant Program) needs to be updated to reflect current practices. Updates are also needed to the Community health grant program advisory committee - Duties of state health officer section.

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DoH FTE's

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PROPOSED AMENDMENTS TO SENATE BILL NO. 2024

"**Section 4. AMENDMENT**. Subsection 1 and 2 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund – Interest on fund – Uses

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:

   a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs~~, including programs with emphasis on preventing or reducing tobacco usage in this state~~. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund of which a minimum ~~of eighty percent must be used for tobacco prevention and control~~.

   b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.

   c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be administered by the executive committee for the purpose of

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creating and implementing the comprehensive plan. ~~If in any biennium, the tobacco prevention and control trust fund does not have adequate dollars to fund a comprehensive plan, the treasurer shall transfer money from the water development trust fund to the tobacco prevention and control trust fund in an amount equal to the amount determined necessary by the executive committee to fund a comprehensive plan.~~

3. Transfers to the funds under this section must be made within thirty days of receipt by the state.

"**Section 5. REPEAL**. Sections 23-38-01, 23-38-02, and 23-38-03 of the North Dakota Century Code are repealed.

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State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Revised Executive Budget Increase (Decrease)			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$770,856	$404,755	$1,175,611				$0		($770,856)	($404,755)	($1,175,611)
Salary increase - Performance				***0***				0				0
Health insurance increase		588,283	549,367	1,137,650				0		(588,283)	(549,367)	(1,137,650)
Employee portion of health insurance		***(300,680)***	***(287,790)***	***(588,470)***				0		300,680	287,790	588,470
Removes 1 FTE position from the Environmental Health Division	***(1.00)***	***(111,233)***	***(27,808)***	***(139,041)***				0	1.00	111,233	27,808	139,041
Removes 4 FTE positions from the Medical Marijuana Division	***(4.00)***	***(149,786)***	***(374,492)***	***(524,278)***				0	4.00	149,786	374,492	524,278
Restores base budget reductions due to allotment		3,012,391		3,012,391				0		(3,012,391)		(3,012,391)
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)				0	1.00	5,154,975	(805,115)	4,349,860
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)				0		(100,597)	5,736,641	5,636,044
Reduces funding for operating expesnses from the tobacco prevention and control trust fund for colorectal screenings			***(100,000)***	***(100,000)***				0			100,000	100,000
Reduces funding for operating expenses and system costs related to the Medical Marijuana Division		***(188,000)***	***(100,000)***	***(288,000)***				0		188,000	100,000	288,000
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)				0		404	243,680	244,084
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)				0		17,727	18,093	35,820
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412				0		10,000	(841,412)	(831,412)
Adjusts funding source for grants to local public health units		(1,000,000)	1,000,000	0				0		1,000,000	(1,000,000)	0
Increases funding for grants to local public health units			3,000,000	3,000,000				0			(3,000,000)	(3,000,000)
Adjusts funding source for cancer programs		(744,804)	744,804	0				0		744,804	(744,804)	0
Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0				0		756,418	(756,418)	0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0				0		480,000	(480,000)	0

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Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0				0		243,640	(243,640)	0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0				0		500,000	(500,000)	0
Reduces funding for rural EMS grants		(467,820)		(467,820)				0		467,820		467,820
Reduces funding for EMS training grants		(94,000)		(94,000)				0		94,000		94,000
Adds funding and FTE positions for Medical Marijuana Division	17.00	2,000,000	3,802,097	5,802,097				0	(17.00)	(2,000,000)	(3,802,097)	(5,802,097)
Total ongoing funding changes	11.00	($3,747,360)	$6,239,104	$2,491,744	0.00	$0	$0	$0	(11.00)	$3,747,360	($6,239,104)	($2,491,744)
One-time funding items												
Adds women, infants and children program project			$1,739,220	$1,739,220				0			(1,739,220)	(1,739,220)
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903				0			(1,197,903)	(1,197,903)
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$0	$0	0.00	$0	($2,937,123)	($2,937,123)
Total Changes to Base Level Funding	11.00	($3,747,360)	$9,176,227	$5,428,867	0.00	$0	$0	$0	(11.00)	$3,747,360	($9,176,227)	($5,428,867)
2017-19 Total Funding	376.00	$44,788,208	$151,147,081	$195,935,289	365.00	$48,535,568	$141,970,854	$190,506,422	(11.00)	$3,747,360	($9,176,227)	($5,428,867)
										8.4%	(6.1%)	(2.8%)

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Environment and rangeland protection fund	Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	
Insurance tax distribution fund	Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, the department's base budget includes $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.	
Strategic investment and improvements fund	Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, Governor Dalrymple's budget address indicated the executive recommendation includes $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund.	
Emergency	Section 6 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	

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State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Revised Executive Budget Increase (Decrease)			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611				$0
Salary increase - Performance				***0***				0				0
Health insurance increase		588,283	549,367	1,137,650		588,283	549,367	1,137,650				0
Employee portion of health insurance		***(300,680)***	***(287,790)***	***(588,470)***				0		300,680	287,790	588,470
Removes 1 FTE position from the Environmental Health Division	***(1.00)***	***(111,233)***	***(27,808)***	***(139,041)***	(1.00)	(111,233)	(27,808)	(139,041)				0
Removes 4 FTE positions from the Medical Marijuana Division	***(4.00)***	***(149,786)***	***(374,492)***	***(524,278)***	(4.00)	(149,786)	(374,492)	(524,278)				0
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391				0
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)				0
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)				0
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			***(100,000)***	***(100,000)***			(100,000)	(100,000)				0
Reduces funding for operating expenses and system costs related to the Medical Marijuana Division		***(188,000)***	***(100,000)***	***(288,000)***		(188,000)	(100,000)	(288,000)				0
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)				0
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)				0
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412				0
Adjusts funding source for grants to local public health units		(1,000,000)	1,000,000	0		(1,000,000)	1,000,000	0				0
Increases funding for grants to local public health units			3,000,000	3,000,000			3,000,000	3,000,000				0
Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control				0	1.00		7,453,333	7,453,333	1.00		7,453,333	7,453,333
Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0				0

Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0				0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0				0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0				0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0				0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)				0
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)				0
Adds funding and FTE positions for Medical Marijuana Division	17.00	2,000,000	3,802,097	5,802,097	17.00	2,000,000	3,802,097	5,802,097				0
Total ongoing funding changes	11.00	($3,747,360)	$6,239,104	$2,491,744	12.00	($3,446,680)	$13,980,227	$10,533,547	1.00	$300,680	$7,741,123	$8,041,803
One-time funding items												
Adds women, infants and children program project			$1,739,220	$1,739,220			1,739,220	1,739,220			0	0
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			1,197,903	1,197,903			0	0
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$0	$0
Total Changes to Base Level Funding	11.00	($3,747,360)	$9,176,227	$5,428,867	12.00	($3,446,680)	$16,917,350	$13,470,670	1.00	$300,680	$7,741,123	$8,041,803
2017-19 Total Funding	376.00	$44,788,208	$151,147,081	$195,935,289	377.00	$45,088,888	$158,888,204	$203,977,092	1.00	$300,680	$7,741,123	$8,041,803
										0.7%	5.1%	4.1%

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Environment and rangeland protection fund	Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.
Insurance tax distribution fund	Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, the department's base budget includes $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.	Includes a section to provide $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Strategic investment and improvements fund	Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, Governor Dalrymple's budget address indicated the executive recommendation includes $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund.	Includes a section to provide $500,000 from the strategic investment and improvements fund to the State Department of Health from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund, during the 2017-19 biennium. The Senate has provided this as one-time funding.
Student loan trust fund		Adds a section to provide $360,000 from the student loan trust fund for the dental loan repayment program.
Amend Chapter 23-38 of the NDCC related the community health grant program		Adds a section to amend Chapter 23-38 of the NDCC related to the community health grant program.
Amend Subsection 1 of Section 54-27-25 of the NDCC related the tobacco settlement trust fund		Adds a section amend Subsection 1 of Section 54-27-25 of the NDCC to remove the restriction requiring 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.
Emergency	Section 6 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Includes a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.

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North Dakota Department of Health - Draft Comprehensive Tobacco Program Budget for 2017-19 Biennium

Best Practice Category	Expenses	Budget
Cessation	National Jewish Health contract (call center and nicotine replacement therapy distribution)	$ 970,000
	UND (phone counselors)	$ 600,000
	Grants to health systems (systems changes related to electronic health record (EHR) workflows, e-referral to NDQuits, training for staff on cessation/motivational interviewing/etc.)	$ 1,529,980
	DoH staff and operations	$ 285,020
	Cessation Subtotal	**$ 3,385,000**
Health Communications	Odney Advertising (cessation program promotion and/or secondhand smoke awareness, youth prevention advertising)	$ 1,150,000
	Health Communications Subtotal	**$ 1,150,000**
Infrastructure, Administration and Management	DoH staff and operations	$ 360,000
	Infrastructure, Administration and Management Subtotal	**$ 360,000**
Surveillance and Evaluation	North Dakota Youth Tobacco Survey (odd numbered years)	$ 30,000
	North Dakota Adult Tobacco Survey (odd numbered years)	$ 80,000
	Professional Data Analysts (external evaluation contract)	$ 450,000
	DoH staff and operations	$ 107,721
	Surveillance and Evaluation Subtotal	**$ 667,721**
State and Community-Based Interventions	LPHU grants to work with communities to advance priority best/promising practices*	$ 5,500,000
	LPHU formula-based tobacco state aid (all LPHUs would receive)	$ 1,000,000
	Tribal community interventions (smoke-free casinos/policies, price increases, etc.)	$ 600,000
	DoH staff and operations	$ 485,020
	State and Community-Based Interventions Subtotal	**$ 7,585,020**
	GRAND TOTAL	**$ 13,147,741**

*Examples of tobacco prevention and control best practices that would be appropriate for LPHU grants: work towards decreasing the effects of secondhand smoke (multi-unit housing policies, tobacco-free outdoor areas); strategies to prevent youth from using tobacco (tobacco-free school grounds policies, local ordinances that restrict youth access at the point of sale, tobacco retailer education/enforcement); strategies to address tobacco-related disparities; collaborating with partner organizations to develop plans and evaluation measures for the community and implementing interventions to make progress on the measures.

**NDCC Chapter 23-38 (Community Health Grant Program) needs to be updated to reflect current practices. Updates are also needed to the Community health grant program advisory committee - Duties of state health officer section.

17.0512.01003
Title.

Prepared by the Legislative Council staff for
Senator Mathern
February 13, 2017

#3
2/15/17
p1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

Page 1, line 2, after "health" insert "and to provide for legislative management reports"

Page 2, after line 16, insert:

"**SECTION 4. TOBACCO PROGRAM - REPORTS TO BUDGET SECTION AND LEGISLATIVE MANAGEMENT.** The state department of health shall develop an annual tobacco plan by July 31 of each year and provide quarterly written and oral reports to the Budget Section on the status and progress of the tobacco plan. The reports must include expenditures, a list of all funded strategies, and outcome data specific to each strategy compared to Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program recommendations in each of the five best practice categories. Outcome data must include the status of how the strategy is decreasing and preventing exposure to secondhand smoke, preventing youth tobacco use, increasing tobacco cessation, and how health communications are meeting target gross rating points. The reports must provide information on grants and contracts, including number, types, and funding amounts awarded or expended, and provide the number of comprehensive policies and local ordinances enacted to create tobacco-free and smoke-free places and to restrict youth access to tobacco in retail stores. Annually, the state department of health shall provide for an independent evaluation of the tobacco program to assure that the tobacco plan is consistent with the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program. By October 31 of each year, the state department of health shall report to the legislative management on the independent evaluation recommendations and the status of incorporating the recommendations into the tobacco plan."

Renumber accordingly

17.0512.01004
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
Senate Appropriations Committee
February 16, 2017

SB 2004
#1
5 Wcomm p1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

Page 1, line 2, after "health" insert "; to amend and reenact subsection 1 of section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program; and to declare an emergency"

Page 1, replace lines 12 through 22 with:

"Salaries and wages	$62,805,918	$1,610,189	$64,416,107
Operating expenses	40,598,335	(2,203,877)	38,394,458
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	(961,090)	56,135,670
Tobacco prevention	6,910,177	5,237,564	12,147,741
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	6,236,376	6,236,376
Total all funds	$190,506,422	$10,470,670	$200,977,092
Less estimated income	141,970,854	13,917,350	155,888,204
Total general fund	$48,535,568	($3,446,680)	$45,088,888
Full-time equivalent positions	365.00	12.00	377.00"

Page 2, line 1, after "**BUDGET**" insert "**- REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 3, after "biennium" insert "and the 2017-19 one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 10 with:

"Environmental equipment	$780,000	$0
Forensic examiner digital x-ray equipment	44,000	0
Women, infants, and children system upgrade	1,712,110	1,739,220
Medical marijuana	0	1,197,903
Total all funds	$2,536,110	$2,937,123
Less estimated income	2,200,110	2,937,123
Total general fund	$336,000	$0

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The state department of health shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, after line 16, insert:

"**SECTION 4. INSURANCE TAX DISTRIBUTION FUND.** The estimated income line item included in section 1 of this Act includes $1,250,000 from the insurance tax distribution fund for rural emergency medical services grants.

SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The estimated income line item included in section 1 of this Act includes $500,000 from the

strategic investment and improvements fund for legal fees related to an environmental protection agency lawsuit.

SECTION 6. STUDENT LOAN TRUST FUND. The estimated income line item in section 1 of this Act includes $360,000 from the student loan trust fund for dental loan repayment program grants.

SECTION 7. TOBACCO PREVENTION AND CONTROL TRUST FUND. The estimated income line item in section 1 of this Act includes $11,078,195 from the tobacco prevention and control trust fund for tobacco prevention and related health programs.

SECTION 8. AMENDMENT. Subsection 1 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:

   a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund ~~of which a minimum of eighty percent must be used for tobacco prevention and control~~.

   b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.

   c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

SECTION 9. REPEAL. Chapter 23-38 of the North Dakota Century Code is repealed.

SECTION 10. EMERGENCY. The funding included in the medical marijuana line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

#1
P3

Senate Bill No. 2004 - State Department of Health - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$62,805,918	$1,610,189	$64,416,107
Operating expenses	40,598,335	(2,203,877)	38,394,458
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	(961,090)	56,135,670
Tobacco prevention	6,910,177	5,237,564	12,147,741
WIC food payments	20,200,000		20,200,000
Medical marijuana		6,236,376	6,236,376
Total all funds	$190,506,422	$10,470,670	$200,977,092
Less estimated income	141,970,854	13,917,350	155,888,204
General fund	$48,535,568	($3,446,680)	$45,088,888
FTE	365.00	12.00	377.00

Department No. 301 - State Department of Health - Detail of Senate Changes

	Adds Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Removes 1 FTE Environmental Health Position[3]	Base Budget Reductions[4]	Restores Base Budget Funding[5]	Cost-to-Continue Existing Programs[6]
Salaries and wages	$1,126,755	$1,074,628	($139,041)	($643,301)	$81,148	
Operating expenses				(3,348,403)	2,066,243	(2,415,937)
Capital assets						
Grants				(358,156)	865,000	(1,941,114)
Tobacco prevention	48,856	14,368				(1,278,993)
WIC food payments						
Medical marijuana		48,654				
Total all funds	$1,175,611	$1,137,650	($139,041)	($4,349,860)	$3,012,391	($5,636,044)
Less estimated income	404,755	549,367	(27,808)	805,115	0	(5,736,641)
General fund	$770,856	$588,283	($111,233)	($5,154,975)	$3,012,391	$100,597
FTE	0.00	0.00	(1.00)	(1.00)	0.00	0.00

	Reduces Funding for Bond and Capital Payments[7]	Reduces Funding for Extraordinary Repairs[8]	Adjusts Funding for Equipment[9]	Increases Funding for Grants to Local Public Health[10]	Adds 1 FTE and Increases Funding for Tobacco Prevention[11]	Adjusts the Funding Source for Various Programs[12]
Salaries and wages						
Operating expenses						
Capital assets	(244,084)	(35,820)	831,412			
Grants				1,000,000		
Tobacco prevention					6,453,333	
WIC food payments						
Medical marijuana						
Total all funds	($244,084)	($35,820)	$831,412	$1,000,000	$6,453,333	$0
Less estimated income	(243,680)	(18,093)	841,412	2,000,000	6,453,333	2,224,862
General fund	($404)	($17,727)	($10,000)	($1,000,000)	$0	($2,224,862)
FTE	0.00	0.00	0.00	0.00	1.00	0.00

	Reduces Funding for Colorectal Screenings[13]	Adjusts the Funding Source for Litigation Fees[14]	Reduces Funding for Emergency Medical Services Grants[15]	Adds Funding and FTE for a Medical Marijuana Division[16]	Adds One-Time Funding for the Medical Marijuana Division[17]	Adds One-Time Funding for a Women, Infants, and Children Program Project[18]
Salaries and wages						$110,000
Operating expenses	(100,000)					1,594,220
Capital assets						

Grants			(561,820)			35,000
Tobacco prevention						
WIC food payments						
Medical marijuana				4,989,819	1,197,903	
Total all funds	($100,000)	$0	($561,820)	$4,989,819	$1,197,903	$1,739,220
Less estimated income	(100,000)	500,000	0	3,327,605	1,197,903	1,739,220
General fund	$0	($500,000)	($561,820)	$1,662,214	$0	$0
FTE	0.00	0.00	0.00	13.00	0.00	0.00

	Total Senate Changes
Salaries and wages	$1,610,189
Operating expenses	(2,203,877)
Capital assets	551,508
Grants	(961,090)
Tobacco prevention	5,237,564
WIC food payments	
Medical marijuana	6,236,376
Total all funds	$10,470,670
Less estimated income	13,917,350
General fund	($3,446,680)
FTE	12.00

[1] Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in employee health insurance premiums from $1,130 to $1,249 per month.

[3] One Environmental Health Division FTE position and related funding for salaries and wages is removed.

[4] Base budget reductions included in the agency's budget request are made including the removal of 1 FTE position in the Water Quality Division.

[5] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

[6] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

[7] Funding for bond and capital payments is reduced to provide a total of $636,877, of which $455,931 is from the general fund.

[8] Funding for extraordinary repairs is reduced to provide a total of $300,350, of which $62,516 is from the general fund.

[9] Funding for equipment is adjusted to provide a total of $2,509,513 from other funds.

[10] Funding for grants to local public health units is increased and the funding sources adjusted to provide a total of $5.25 million, of which $3.25 million is from the general fund and $2 million is from the tobacco prevention and control trust fund.

[11] One FTE position is added for tobacco prevention and control and funding is increased by $6,453,333 from the tobacco prevention and control trust fund. Funding provided for tobacco prevention and control totals $12,147,741, of which $3,200,000 is from the community health trust fund, $6,953,333 is from the

tobacco prevention and control trust fund, and $1,994,408 is from federal funds. Tobacco prevention and control funding includes $5.5 million for grants to local public health units for tobacco prevention and control programs.

[12] Funding for the following programs is adjusted to provide $2,224,862 from the tobacco prevention and control trust fund instead of the general fund.

Cancer programs	$744,804
Stroke and cardiac care programs	756,418
Physician loan repayment program	480,000
Behavioral health loan repayment program	243,640
Total	$2,224,862

[13] Funding from the tobacco prevention and control trust fund is reduced for colorectal screenings in the cancer programs.

[14] Funding for litigation fees related to the Environmental Protection Agency lawsuit is provided from the strategic investment and improvements fund instead of the general fund.

[15] Funding for emergency medical services grants is reduced to provide a total of $7,721,000. Emergency medical services rural assistance grants total $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund. Emergency medical services training grants total $846,000 from the general fund.

[16] Funding is added for a Medical Marijuana Division, including 13 FTE positions.

[17] One-time funding is added for costs related to establishing the Medical Marijuana Division.

[18] One-time funding is added for a women, infants, and children program computer project.

This amendment also adds sections to:

- Identify $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.
- Identify $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit.
- Identify $360,000 from the student loan trust fund for the dental loan repayment program.
- Identify $11,078,195 from the tobacco prevention and control trust fund for tobacco and related health programs.
- Repeal North Dakota Century Code Chapter 23-38 related to the community health grant program.
- Amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund be used for tobacco prevention and control.
- Provide an emergency clause for the medical marijuana line item.

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Subcommittee #2 p 1

State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Revised Executive Budget Increase (Decrease)			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611				$0
Salary increase - Performance				***0***				0				0
Health insurance increase		588,283	549,367	1,137,650		588,283	549,367	1,137,650				0
Employee portion of health insurance		***(300,680)***	***(287,790)***	***(588,470)***				0		300,680	287,790	588,470
Removes 1 FTE position from the Environmental Health Division	***(1.00)***	***(111,233)***	***(27,808)***	***(139,041)***	(1.00)	(111,233)	(27,808)	(139,041)				0
Removes 4 FTE positions from the Medical Marijuana Division	***(4.00)***	***(149,786)***	***(374,492)***	***(524,278)***	(4.00)	(149,786)	(374,492)	(524,278)				0
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391				0
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)				0
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)				0
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			***(100,000)***	***(100,000)***			(100,000)	(100,000)				0
Reduces funding for operating expenses and system costs related to the Medical Marijuana Division		***(188,000)***	***(100,000)***	***(288,000)***		(188,000)	(100,000)	(288,000)				0
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)				0
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)				0
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412				0
Adjusts funding source for grants to local public health units		(1,000,000)	1,000,000	0		(1,000,000)	2,000,000	1,000,000			1,000,000	1,000,000
Increases funding for grants to local public health units			3,000,000	3,000,000				0			(3,000,000)	(3,000,000)
Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control				0	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333
Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0				0

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2-17-17

Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0				0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0				0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0				0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0				0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)				0
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)				0
Adds funding and FTE positions for Medical Marijuana Division	17.00	2,000,000	3,802,097	5,802,097	17.00	2,000,000	3,802,097	5,802,097				0
Total ongoing funding changes	11.00	($3,747,360)	$6,239,104	$2,491,744	12.00	($3,446,680)	$10,980,227	$7,533,547	1.00	$300,680	$4,741,123	$5,041,803
One-time funding items												
Adds women, infants and children program project			$1,739,220	$1,739,220			1,739,220	1,739,220			0	0
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			1,197,903	1,197,903			0	0
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$0	$0
Total Changes to Base Level Funding	11.00	($3,747,360)	$9,176,227	$5,428,867	12.00	($3,446,680)	$13,917,350	$10,470,670	1.00	$300,680	$4,741,123	$5,041,803
2017-19 Total Funding	376.00	$44,788,208	$151,147,081	$195,935,289	377.00	$45,088,888	$155,888,204	$200,977,092	1.00	$300,680	$4,741,123	$5,041,803
										0.7%	3.1%	2.6%

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Environment and rangeland protection fund	Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.
Insurance tax distribution fund	Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, the department's base budget includes $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.	Adds a section to provide $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.

#2
P3
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2-17-17

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Strategic investment and improvements fund	Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, Governor Dalrymple's budget address indicated the executive recommendation includes $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund.	Adds a section to provide $500,000 from the strategic investment and improvements fund to the State Department of Health from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund, during the 2017-19 biennium.
Student loan trust fund		Adds a section to provide $360,000 from the student loan trust fund for the dental loan repayment program.
Tobacco prevention and control trust fund		Adds a section to provide $11,098,195 from the tobacco prevention and control trust fund for tobacco prevention and related health programs.
Amend Chapter 23-38 of the NDCC related the community health grant program		Adds a section to repeal Chapter 23-38 of the NDCC related to the community health grant program.
Amend Subsection 1 of Section 54-27-25 of the NDCC related the tobacco settlement trust fund		Adds a section amend Subsection 1 of Section 54-27-25 of the NDCC to remove the restriction requiring 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.
Emergency	Section 6 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Adds a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.

17.0512.01003
Title.

Prepared by the Legislative Council staff for
Senator Mathern
February 13, 2017

#3
P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

Page 1, line 2, after "health" insert "and to provide for legislative management reports"

Page 2, after line 16, insert:

"**SECTION 4. TOBACCO PROGRAM - REPORTS TO BUDGET SECTION AND LEGISLATIVE MANAGEMENT.** The state department of health shall develop an annual tobacco plan by July 31 of each year and provide quarterly written and oral reports to the Budget Section on the status and progress of the tobacco plan. The reports must include expenditures, a list of all funded strategies, and outcome data specific to each strategy compared to Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program recommendations in each of the five best practice categories. Outcome data must include the status of how the strategy is decreasing and preventing exposure to secondhand smoke, preventing youth tobacco use, increasing tobacco cessation, and how health communications are meeting target gross rating points. The reports must provide information on grants and contracts, including number, types, and funding amounts awarded or expended, and provide the number of comprehensive policies and local ordinances enacted to create tobacco-free and smoke-free places and to restrict youth access to tobacco in retail stores. Annually, the state department of health shall provide for an independent evaluation of the tobacco program to assure that the tobacco plan is consistent with the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program. By October 31 of each year, the state department of health shall report to the legislative management on the independent evaluation recommendations and the status of incorporating the recommendations into the tobacco plan."

Renumber accordingly

17.0512.01004
Title.
Fiscal No. 3

Prepared by the Legislative Council staff for
Senate Appropriations Committee
February 16, 2017

SB 2004
2-17-17
#1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

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Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	6,236,376	6,236,376
Total all funds	$190,506,422	$10,470,670	$200,977,092
Less estimated income	141,970,854	13,917,350	155,888,204
Total general fund	$48,535,568	($3,446,680)	$45,088,888
Full-time equivalent positions	365.00	12.00	377.00"

Page 2, line 1, after "**BUDGET**" insert "**- REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 3, after "biennium" insert "and the 2017-19 one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 10 with:

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Forensic examiner digital x-ray equipment	44,000	0
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Medical marijuana	0	1,197,903
Total all funds	$2,536,110	$2,937,123
Less estimated income	2,200,110	2,937,123
Total general fund	$336,000	$0

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The state department of health shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, after line 16, insert:

"**SECTION 4. INSURANCE TAX DISTRIBUTION FUND.** The estimated income line item included in section 1 of this Act includes $1,250,000 from the insurance tax distribution fund for rural emergency medical services grants.

SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The estimated income line item included in section 1 of this Act includes $500,000 from the

strategic investment and improvements fund for legal fees related to an environmental protection agency lawsuit.

SECTION 6. STUDENT LOAN TRUST FUND. The estimated income line item in section 1 of this Act includes $360,000 from the student loan trust fund for dental loan repayment program grants.

SECTION 7. TOBACCO PREVENTION AND CONTROL TRUST FUND. The estimated income line item in section 1 of this Act includes $11,078,195 from the tobacco prevention and control trust fund for tobacco prevention and related health programs.

SECTION 8. AMENDMENT. Subsection 1 of section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:

   a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund ~~of which a minimum of eighty percent must be used for tobacco prevention and control~~.

   b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.

   c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.

SECTION 9. REPEAL. Chapter 23-38 of the North Dakota Century Code is repealed.

SECTION 10. EMERGENCY. The funding included in the medical marijuana line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$62,805,918	$1,610,189	$64,416,107
Operating expenses	40,598,335	(2,203,877)	38,394,458
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	(961,090)	56,135,670
Tobacco prevention	6,910,177	5,237,564	12,147,741
WIC food payments	20,200,000		20,200,000
Medical marijuana		6,236,376	6,236,376
Total all funds	$190,506,422	$10,470,670	$200,977,092
Less estimated income	141,970,854	13,917,350	155,888,204
General fund	$48,535,568	($3,446,680)	$45,088,888
FTE	365.00	12.00	377.00

Department No. 301 - State Department of Health - Detail of Senate Changes

	Adds Funding for Base Payroll Changes[1]	Adds Funding for Health Insurance Increases[2]	Removes 1 FTE Environmental Health Position[3]	Base Budget Reductions[4]	Restores Base Budget Funding[5]	Cost-to-Continue Existing Programs[6]
Salaries and wages	$1,126,755	$1,074,628	($139,041)	($643,301)	$81,148	
Operating expenses				(3,348,403)	2,066,243	(2,415,937)
Capital assets						
Grants				(358,156)	865,000	(1,941,114)
Tobacco prevention	48,856	14,368				(1,278,993)
WIC food payments						
Medical marijuana		48,654				
Total all funds	$1,175,611	$1,137,650	($139,041)	($4,349,860)	$3,012,391	($5,636,044)
Less estimated income	404,755	549,367	(27,808)	805,115	0	(5,736,641)
General fund	$770,856	$588,283	($111,233)	($5,154,975)	$3,012,391	$100,597
FTE	0.00	0.00	(1.00)	(1.00)	0.00	0.00

	Reduces Funding for Bond and Capital Payments[7]	Reduces Funding for Extraordinary Repairs[8]	Adjusts Funding for Equipment[9]	Increases Funding for Grants to Local Public Health[10]	Adds 1 FTE and Increases Funding for Tobacco Prevention[11]	Adjusts the Funding Source for Various Programs[12]
Salaries and wages						
Operating expenses						
Capital assets	(244,084)	(35,820)	831,412			
Grants				1,000,000		
Tobacco prevention					6,453,333	
WIC food payments						
Medical marijuana						
Total all funds	($244,084)	($35,820)	$831,412	$1,000,000	$6,453,333	$0
Less estimated income	(243,680)	(18,093)	841,412	2,000,000	6,453,333	2,224,862
General fund	($404)	($17,727)	($10,000)	($1,000,000)	$0	($2,224,862)
FTE	0.00	0.00	0.00	0.00	1.00	0.00

	Reduces Funding for Colorectal Screenings[13]	Adjusts the Funding Source for Litigation Fees[14]	Reduces Funding for Emergency Medical Services Grants[15]	Adds Funding and FTE for a Medical Marijuana Division[16]	Adds One-Time Funding for the Medical Marijuana Division[17]	Adds One-Time Funding for a Women, Infants, and Children Program Project[18]
Salaries and wages						$110,000
Operating expenses	(100,000)					1,594,220
Capital assets						

Grants			(561,820)			35,000
Tobacco prevention						
WIC food payments						
Medical marijuana				4,989,819	1,197,903	
Total all funds	($100,000)	$0	($561,820)	$4,989,819	$1,197,903	$1,739,220
Less estimated income	(100,000)	500,000	0	3,327,605	1,197,903	1,739,220
General fund	$0	($500,000)	($561,820)	$1,662,214	$0	$0
FTE	0.00	0.00	0.00	13.00	0.00	0.00

	Total Senate Changes
Salaries and wages	$1,610,189
Operating expenses	(2,203,877)
Capital assets	551,508
Grants	(961,090)
Tobacco prevention	5,237,564
WIC food payments	
Medical marijuana	6,236,376
Total all funds	$10,470,670
Less estimated income	13,917,350
General fund	($3,446,680)
FTE	12.00

[1] Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

[2] Funding is added for increases in employee health insurance premiums from $1,130 to $1,249 per month.

[3] One Environmental Health Division FTE position and related funding for salaries and wages is removed.

[4] Base budget reductions included in the agency's budget request are made including the removal of 1 FTE position in the Water Quality Division.

[5] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

[6] Funding for salaries and wages, operating expenses, and grants, reduced as part of the 2015-17 budget reductions, is restored.

[7] Funding for bond and capital payments is reduced to provide a total of $636,877, of which $455,931 is from the general fund.

[8] Funding for extraordinary repairs is reduced to provide a total of $300,350, of which $62,516 is from the general fund.

[9] Funding for equipment is adjusted to provide a total of $2,509,513 from other funds.

[10] Funding for grants to local public health units is increased and the funding sources adjusted to provide a total of $5.25 million, of which $3.25 million is from the general fund and $2 million is from the tobacco prevention and control trust fund.

[11] One FTE position is added for tobacco prevention and control and funding is increased by $6,453,333 from the tobacco prevention and control trust fund. Funding provided for tobacco prevention and control totals $12,147,741, of which $3,200,000 is from the community health trust fund, $6,953,333 is from the

tobacco prevention and control trust fund, and $1,994,408 is from federal funds. Tobacco prevention and control funding includes $5.5 million for grants to local public health units for tobacco prevention and control programs.

[12] Funding for the following programs is adjusted to provide $2,224,862 from the tobacco prevention and control trust fund instead of the general fund.

Cancer programs	$744,804
Stroke and cardiac care programs	756,418
Physician loan repayment program	480,000
Behavioral health loan repayment program	243,640
Total	$2,224,862

[13] Funding from the tobacco prevention and control trust fund is reduced for colorectal screenings in the cancer programs.

[14] Funding for litigation fees related to the Environmental Protection Agency lawsuit is provided from the strategic investment and improvements fund instead of the general fund.

[15] Funding for emergency medical services grants is reduced to provide a total of $7,721,000. Emergency medical services rural assistance grants total $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund. Emergency medical services training grants total $846,000 from the general fund.

[16] Funding is added for a Medical Marijuana Division, including 13 FTE positions.

[17] One-time funding is added for costs related to establishing the Medical Marijuana Division.

[18] One-time funding is added for a women, infants, and children program computer project.

This amendment also adds sections to:

- Identify $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.
- Identify $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit.
- Identify $360,000 from the student loan trust fund for the dental loan repayment program.
- Identify $11,078,195 from the tobacco prevention and control trust fund for tobacco and related health programs.
- Repeal North Dakota Century Code Chapter 23-38 related to the community health grant program.
- Amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund be used for tobacco prevention and control.
- Provide an emergency clause for the medical marijuana line item.

2-17-17 SB2004

17.0512.01003
Title.

Prepared by the Legislative Council staff for
Senator Mathern
February 13, 2017

#2
P1

PROPOSED AMENDMENTS TO SENATE BILL NO. 2004

Page 1, line 2, after "health" insert "and to provide for legislative management reports"

Page 2, after line 16, insert:

"**SECTION 4. TOBACCO PROGRAM - REPORTS TO BUDGET SECTION AND LEGISLATIVE MANAGEMENT.** The state department of health shall develop an annual tobacco plan by July 31 of each year and provide quarterly written and oral reports to the Budget Section on the status and progress of the tobacco plan. The reports must include expenditures, a list of all funded strategies, and outcome data specific to each strategy compared to Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program recommendations in each of the five best practice categories. Outcome data must include the status of how the strategy is decreasing and preventing exposure to secondhand smoke, preventing youth tobacco use, increasing tobacco cessation, and how health communications are meeting target gross rating points. The reports must provide information on grants and contracts, including number, types, and funding amounts awarded or expended, and provide the number of comprehensive policies and local ordinances enacted to create tobacco-free and smoke-free places and to restrict youth access to tobacco in retail stores. Annually, the state department of health shall provide for an independent evaluation of the tobacco program to assure that the tobacco plan is consistent with the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Program. By October 31 of each year, the state department of health shall report to the legislative management on the independent evaluation recommendations and the status of incorporating the recommendations into the tobacco plan."

Renumber accordingly

Department 301 - State Department of Health
Senate Bill No. 2004

Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

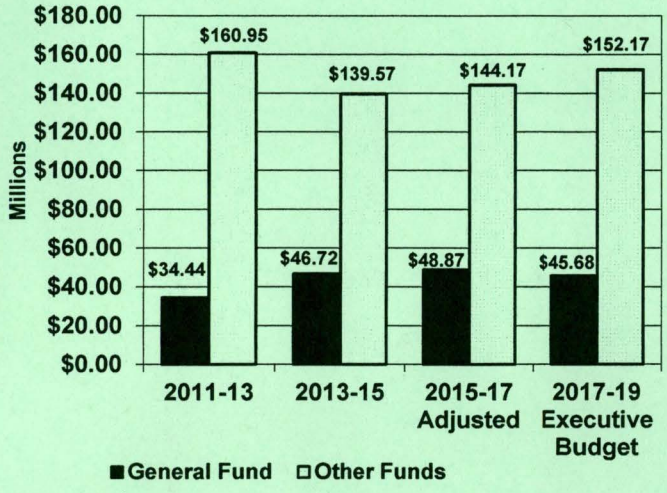
	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	381.00	$45,677,051	$152,167,111	$197,844,162
2015-17 Adjusted Legislative Appropriations[1]	365.00	48,871,568	144,170,964	193,042,532
Increase (Decrease)	16.00	($3,194,517)	$7,996,147	$4,801,630

[1]The 2015-17 biennium agency appropriation amounts reflect distributions from the targeted market equity fund and general fund budget reductions and funding changes made in August 2016, but do not include additional special funds authority of $1,936,800 resulting from Emergency Commission action during the 2015-17 biennium.

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	$45,677,051	$0	$45,677,051
2015-17 Adjusted Legislative Appropriations	48,535,568	336,000	48,871,568
Increase (Decrease)	($2,858,517)	($336,000)	($3,194,517)

Agency Funding



FTE Positions

Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	$45,677,051	$152,167,111	$197,844,162
2017-19 Base Level	48,535,568	141,970,854	190,506,422
Increase (Decrease)	($2,858,517)	$10,196,257	$7,337,740

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

Dalrymple and Burgum Executive Budget Highlights (With First House Changes in Bold)

	General Fund	Other Funds	Total
Administrative support			
1. Provides funding for state employee salary and benefit increases, of which $30,136 is for salary increases, and $117,629 is for health insurance increases. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) **The Senate removed funding for the salary increases.**	$140,493	$7,272	$147,765
2. Increases base payroll.	$100,386	$204,202	$304,588
3. Cost-to-continue program adjustments, including reductions in operating expenses ($124,988) and grants ($460,740).	$40,027	($625,755)	($585,728)

4. Base budget adjustments, including reductions in salaries and wages ($66,980) and grants ($90,160).	($438,699)	$281,559	($157,140)
5. Restores base budget funding for salaries and wages of $43,961 and operating expenses of $86,597 reduced due to August 2016 general fund budget reductions.	$130,558	$0	$130,558
6. Restores base budget funding for grants of $535,000 reduced due to August 2016 general fund budget reductions.	$535,000	$0	$535,000
7. Adjusts the funding source of grants to local public health units to provide a total of $4.25 million, the same as the 2015-17 biennium, of which $1 million is from the tobacco prevention and control trust fund. **The Senate increased funding from the tobacco prevention and control trust fund by $1 million from the base budget to provide a total of $5.25 million, of which $3.25 million is from the general fund and $2 million is from the tobacco prevention and control trust fund.**	($1,000,000)	$1,000,000	$0
8. Provides tobacco grants to local public health units from the tobacco prevention and control trust fund. **The Senate dissolved the Comprehensive Tobacco Control Advisory Committee and transferred funding for the tobacco prevention and control program to the State Department of Health. The Senate added 1 FTE position for tobacco prevention and control and increased funding by $6,453,333 from the tobacco prevention and control trust fund. Funding provided to the State Department of Health for tobacco prevention and control totals $12,147,741, of which $3,200,000 is from the community health trust fund, $6,953,333 is from the tobacco prevention and control trust fund, and $1,994,408 is from federal funds. Tobacco prevention and control funding includes $5.5 million for grants to local public health units for tobacco prevention and control programs.**	$0	$3,000,000	$3,000,000
9. Changes the funding source for the physician loan repayment program to provide $480,000 from the tobacco prevention and control trust fund, $27,800 less than the adjusted 2015-17 biennium appropriation.	($480,000)	$480,000	$0
10. Changes the funding source for the behavioral health loan repayment program to provide $243,640 from the tobacco prevention and control trust fund, $191,640 more than the 2015-17 biennium appropriation.	($243,640)	$243,640	$0
11. Removes funding for equipment over $5,000.	$0	($7,300)	($7,300)
Medical services			
12. Provides funding for state employee salary and benefit increases, of which $22,545 is for salary increases, and $105,891 is for health insurance increases.	$47,489	$80,947	$128,436
13. Increases base payroll.	$77,764	$171,555	$249,319
14. Cost-to-continue program adjustments, including increases in operating expenses of $491,209 and grants of $180,000.	$22,475	$648,734	$671,209
15. Base budget adjustments for salaries and wages.	($90,836)	$53,165	($37,671)
16. Adjusts base budget funding for salaries and wages reduced due to August 2016 general fund budget reductions.	($13,012)	$0	($13,012)
17. Base budget adjustment to operating expenses to discontinue the universal vaccine program.	($1,276,853)	$0	($1,276,853)
18. Adjusts funding for equipment over $5,000 to provide a total of $58,468 of other funds.	($10,000)	$58,468	$48,468
19. Adjusts funding for bond and capital payments to provide a total of $231,288, of which $209,836 is from the general fund.	$492	($78)	$414
20. Removes funding for extraordinary repairs.	($19,820)	$0	($19,820)
Health resources			
21. Provides funding for state employee salary and benefit increases, of which $36,095 is for salary increases, and $145,962 is for health insurance increases.	$83,830	$98,227	$182,057

22. Increases base payroll.	$12,559	$6,977	$19,536
23. Cost-to-continue program adjustments to operating expenses.	($29,843)	$183,008	$153,165
24. Base budget adjustments, including reductions in salaries and wages ($69,917) and operating expenses ($79,853).	($169,918)	$20,148	($149,770)
25. Restores base budget funding for salaries and wages of $55,093 reduced due to August 2016 general fund budget reductions.	$55,093	$0	$55,093
26. Removes funding for equipment over $5,000.	$0	($10,000)	($10,000)
Community health			
27. Provides funding for state employee salary and benefit increases, of which $35,700 is for salary increases, and $159,274 is for health insurance increases. The increase to the tobacco prevention and control line item totals $17,721.	$81,002	$113,972	$194,974
28. Adjusts base payroll, including an increase in the tobacco prevention and control line item of $48,856.	$87,411	($234,563)	($147,152)
29. Cost-to-continue program adjustments, including reductions in operating expenses ($403,629), tobacco prevention and control ($1,278,993), and grants ($396,996).	$6	($2,079,624)	($2,079,618)
30. Base budget adjustments, including reductions in salaries and wages ($67,220), operating expenses ($36,400), and grants ($38,000).	($249,851)	$108,231	($141,620)
31. Restores base budget funding for salaries and wages of $41,069, operating expenses of $26,646, and grants of $30,000 reduced due to August 2016 general fund budget reductions.	$97,715	$0	$97,715
32. Adds funding for equipment over $5,000.	$0	$18,750	$18,750
33. Changes the funding source for cancer related programs to provide funding from the tobacco prevention and control trust fund.	($744,804)	$744,804	$0
34. The Burgum budget reduced funding provided from the tobacco prevention and control trust fund for colorectal screenings.	$0	($100,000)	($100,000)
35. Adds one-time funding from federal funds for the implementation of electronic benefit transfer for the women, infants, and children program, including salaries and wages of $110,000, operating expenses of $1,594,220, and grants of $35,000.	$0	$1,739,220	$1,739,220
Environmental health			
36. Provides funding for state employee salary and benefit increases, of which $125,851 is for salary increases, and $497,276 is for health insurance increases.	$271,632	$351,495	$623,127
37. Increases base payroll.	$428,053	$186,056	$614,109
38. Cost-to-continue program adjustments, including reductions in operating expenses ($17,491) and an increase in grants of $110,000.	$2,717	$89,792	$92,509
39. Base budget adjustments, including the removal of 1 FTE position and reductions in salaries and wages ($382,758) and operating expenses ($79,897).	($807,810)	$345,155	($462,655)
40. Reduces base budget funding for salaries and wages by ($39,449) and increases operating expenses by $53,000 reduced due to August 2016 general fund budget reductions.	$13,551	$0	$13,551
41. Adjusts funding for equipment over $5,000 to provide a total of $1,073,295 of other funds.	$0	$63,173	$63,173
42. Adjusts funding for bond and capital payments to provide a total of $405,589, of which $246,095 is from the general fund.	($896)	($581)	($1,477)
43. Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund.	$2,093	($18,093)	($16,000)
44. Changes the funding source for federal Environmental Protection Agency litigation to provide funding from the strategic investment and improvements fund.	($500,000)	$500,000	$0
45. The Burgum budget removed 1 FTE position in the Environmental Health Division.	($111,233)	($27,808)	($139,041)

Emergency preparedness and response

46. Provides funding for state employee salary and benefit increases, of which $9,767 is for salary increases, and $62,964 is for health insurance increases.	$45,337	$27,394	$72,731
47. Increases base payroll.	$64,683	$70,528	$135,211
48. Cost-to-continue program adjustments, including reductions in operating expenses ($2,514,203) and grants ($1,373,378).	$65,215	($3,952,796)	($3,887,581)
49. Base budget adjustments, including reductions in salaries and wages ($18,755), operating expenses ($175,400), and grants ($72,816).	($263,828)	($3,143)	($266,971)
50. Reduces base budget funding for salaries and wages by ($6,514) and increases operating expenses by $200,000 reduced due to August 2016 general fund budget reductions.	$193,486	$0	$193,486
51. Adjusts funding for equipment over $5,000 to provide a total of $1,359,000 of other funds.	$0	$718,321	$718,321
52. Removes funding provided for capital payments during the 2015-17 biennium.	$0	($243,021)	($243,021)
53. Changes the funding source for stroke and cardiac care programs to provide funding from the tobacco prevention and control trust fund.	($756,418)	$756,418	$0
54. Reduces funding for rural emergency medical services operations grants to provide a total of $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund.	($441,550)	$0	($441,550)
55. Reduces funding for rural emergency medical services training grants to provide a total of $846,000 from the general fund.	($94,000)	$0	($94,000)
56. Restores base budget funding for stroke registry grants reduced due to August 2016 general fund budget reductions.	$116,550	$0	$116,550
Medical marijuana			
57. Provides funding for state employee salary and benefit increases, of which $8,990 is for salary increases, and $48,654 is for health insurance increases.	$57,644	$0	$57,644
58. Adds funding to establish a Medical Marijuana Division, including 17 FTE positions and related salaries and wages of $2,266,471 and operating expenses of $3,535,626, of which $3,802,097 is provided from the compassionate care fund.	$2,000,000	$3,802,097	$5,802,097
59. Adds one-time funding from the compassionate care fund for medical marijuana regulation, including information technology equipment, office equipment, other capital payments, and information technology equipment over $5,000.	$0	$1,197,903	$1,197,903
60. The Burgum budget removed 4 FTE positions from the Medical Marijuana Division.	($149,786)	($374,492)	($524,278)
61. The Burgum budget reduced funding for operating expenses in the Medical Marijuana Division.	($188,000)	($100,000)	($288,000)

Other Sections in Senate Bill No. 2004

Environment and rangeland protection fund - Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.

Insurance tax distribution fund - Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.

Strategic investment and improvements fund - Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the Environmental Protection Agency lawsuit during the 2017-19 biennium.

Student loan trust fund - Section 6 provides $360,000 from the student loan trust fund to the State Department of Health for dental loan repayment grants during the 2017-19 biennium.

Tobacco prevention and control trust fund - Section 7 provides $11,078,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs during the 2017-19 biennium.

Community health trust fund limitation amended - Section 8 amends North Dakota Century Code Section 54-27-25 to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund be used for tobacco prevention and control.

Community health grant program - Section 9 repeals Chapter 23-38 related to the community health grant program.

Emergency - Section 10 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.

Continuing Appropriations

Combined purchasing with local public health units - Section 23-01-28 - Allows the State Department of Health to assist the local health units to purchase vaccines. Vaccines are not always available to local health units so it is necessary for the State Department of Health to purchase the vaccine and request the payment from the local health units. When the vaccines are delivered and payment is received, the net effect is zero.

Environmental quality restoration fund - Sections 23-31-01 and 23-31-02 - Allows the State Department of Health to provide immediate and timely response to catastrophic events that threaten the public and environmental health and when the responsible party is late in responding or cannot be located.

Organ tissue transplant fund - Sections 23-01-05.1 and 57-38-35.1 - Provides financial assistance to organ or tissue transplant patients who are residents of North Dakota and demonstrate financial need. Tax refunds of less than $5 are transferred to the organ tissue transplant fund. The State Health Officer is responsible for adopting rules and administering the fund, and the Tax Department collects the funds.

Veterinarian and dental loan repayment - Sections 43-29.1-08 and 43-28.1-09 - The Health Council may accept any conditional or unconditional gifts, grants, or donations for the purpose of providing funds for the repayment of veterinarians' education loans or dentists' education loans. All money received as gifts, grants, or donations under these sections is appropriated as a continuing appropriation to the Health Council for the purpose of providing funds for the repayment of additional veterinarians' or dentists' education loans. If an entity desires to provide funds to the Health Council to allow an expansion of the program beyond three veterinarians or dentists, the entity must fully fund the expansion for a period of 4 years.

Compassionate care fund - The Senate approved Senate Bill No. 2344 which establishes the compassionate care fund for all fees collected and private donations related to the medical marijuana program. The bill also provides for a continuing appropriation from the fund to the State Department of Health for use in administering the medical marijuana program.

Deficiency Appropriation

Environmental Protection Agency lawsuit - House Bill No. 1024 contains a deficiency appropriation of $250,000 from the strategic investment and improvements fund for a shortfall in the local public health vaccine purchasing program.

Significant Audit Findings

There were no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1035 - Changes the dental loan repayment program to provide for a prorated payback of loan repayment funds if a dentist breaches the loan repayment contract.

House Bill No. 1187 - Relates to the medical food program for phenylketonuria or maple syrup urine disease.

House Bill No. 1210 - Requires the State Department of Health to establish a cardiac ready community grant program.

House Bill No. 1409 - Requires the results of certain water quality tests be reported to the State Department of Health and maintained in a database.

Senate Bill No. 2024 - Repeals the tobacco prevention and control program and amends Section 23-12-10.4(2) to provide the owner, operator, manager, or other person in control of a public place or place of employment where smoking is prohibited by Chapter 23-12 may request signage that meets the requirements of the section from the State Department of Health rather than the Tobacco Prevention and Control Advisory Committee.

Senate Bill No. 2034 - Creates a nursing faculty student loan repayment program. A fiscal note prepared by the department indicated there is no fiscal impact for the loan repayment contracts. The administrative work for this added program would be handled within the department's current budget when funding is appropriated for the loan repayment contracts.

Senate Bill No. 2099 - Modifies language relating to the immunization program and also eliminates language that permits the department to supply vaccines to insured children using a general fund appropriation on behalf of the local public health units for those under age 19. Funding for the immunization program was removed in the executive recommendation for the department.

Senate Bill No. 2154 - Suspends the provisions of Chapter 19-24, the North Dakota Compassionate Care Act, relating to issuance of applications by the State Department of Health, receipt by the department of applications for registration, and the duty of the department to issue certificates.

Senate Bill No. 2320 - Allows the State Department of Health to authorize a qualified entity to operate a syringe exchange program.

Senate Bill No. 2327 - Creates the Department of Environmental Quality and transfers duties and responsibilities relating to environmental quality from the State Department of Health to the Department of Environmental Quality.

Senate Bill No. 2344 - Provides for the implementation of the North Dakota Compassionate Care Act to authorize medical marijuana and includes a continuing appropriation for all fees and private donations related to the medical marijuana program.

State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422
2017-19 Ongoing Funding Changes								
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611
Salary increase - Performance				***0***				0
Health insurance increase		588,283	549,367	1,137,650		588,283	549,367	1,137,650
Employee portion of health insurance		***(300,680)***	***(287,790)***	***(588,470)***				0
Removes 1 FTE position from the Environmental Health Division	***(1.00)***	***(111,233)***	***(27,808)***	***(139,041)***	(1.00)	(111,233)	(27,808)	(139,041)
Removes 4 FTE positions from the Medical Marijuana Division	***(4.00)***	***(149,786)***	***(374,492)***	***(524,278)***	(4.00)	(149,786)	(374,492)	(524,278)
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			***(100,000)***	***(100,000)***			(100,000)	(100,000)
Reduces funding for operating expenses and system costs related to the Medical Marijuana Division		***(188,000)***	***(100,000)***	***(288,000)***		(188,000)	(100,000)	(288,000)
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412
Adjusts funding source for grants to local public health units		(1,000,000)	1,000,000	0		(1,000,000)	2,000,000	1,000,000
Increases funding for grants to local public health units			3,000,000	3,000,000				0
Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control				0	1.00		6,453,333	6,453,333

Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0
Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)
Adds funding and FTE positions for Medical Marijuana Division	17.00	2,000,000	3,802,097	5,802,097	17.00	2,000,000	3,802,097	5,802,097
Total ongoing funding changes	11.00	($3,747,360)	$6,239,104	$2,491,744	12.00	($3,446,680)	$10,980,227	$7,533,547
One-time funding items								
Adds women, infants, and children program project			$1,739,220	$1,739,220			$1,739,220	$1,739,220
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			1,197,903	1,197,903
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$2,937,123	$2,937,123
Total Changes to Base Level Funding	11.00	($3,747,360)	$9,176,227	$5,428,867	12.00	($3,446,680)	$13,917,350	$10,470,670
2017-19 Total Funding	376.00	$44,788,208	$151,147,081	$195,935,289	377.00	$45,088,888	$155,888,204	$200,977,092

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Environment and rangeland protection fund	Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.
Insurance tax distribution fund	Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, the department's base budget includes $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.	Adds a section to provide $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Strategic investment and improvements fund	Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, Governor Dalrymple's budget address indicated the executive recommendation includes $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund.	Adds a section to provide $500,000 from the strategic investment and improvements fund, instead of the general fund, to the State Department of Health for legal fees related to the Environmental Protection Agency lawsuit.
Student loan trust fund		Adds a section to provide $360,000 from the student loan trust fund to the State Department of Health for dental loan repayment program grants.
Tobacco prevention and control trust fund		Adds a section to provide $11,098,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
Community health grant program		Adds a section to repeal Chapter 23-38 related to the community health grant program.
Tobacco settlement trust fund		Adds a section to amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.
Emergency	Section 6 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Adds a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.

Department 301 - State Department of Health

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments

(As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	$51,910,238	$336,000	$52,246,238
General fund reductions	(3,374,670)	0	(3,374,670)
Adjusted 2015-17 appropriations	$48,535,568	$336,000	$48,871,568
Dalrymple Executive Budget changes	(2,858,517)	(336,000)	(3,194,517)
2017-19 Dalrymple Executive Budget	$45,677,051	$0	$45,677,051

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Salaries and wages saving related to turnover, limiting 2nd year increases, and adjusting the funding source to special funds	($443,427)	$0	($443,427)
Savings related to discontinuing the immunization program	(1,700,000)	0	(1,700,000)
Operating expense savings related to reductions in travel, professional fees, and adjusting the funding source for certain expenses	(366,243)	0	(366,243)
Savings related to reductions in funding for grants	(865,000)	0	(865,000)
Total reductions	($3,374,670)	$0	($3,374,670)
Percentage reduction to ongoing and one-time general fund appropriations	6.50%	0.00%	6.46%

2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Provides funding for state employee salary and benefit increases, of which $269,084 is for salary increases, and $1,137,650 is for health insurance increases	$727,427	$0	$727,427
Increases base payroll	408,577	0	408,577
Cost-to-continue program adjustments	100,597	0	100,597
Base budget reductions	(2,020,942)	1,491,220	(529,722)
Adjusts the funding source of grants to local public health units	(1,000,000)	0	(1,000,000)
Changes the funding source for the physician loan repayment program	(480,000)	0	(480,000)
Changes the funding source for the behavioral health loan repayment program	(243,640)	0	(243,640)
Base budget adjustment to operating expenses to discontinue the universal vaccine program	(2,976,853)	1,700,000	(1,276,853)
Adjusts funding equipment over $5,000	(10,000)	0	(10,000)
Adjusts funding for bond and capital payments	(404)	0	(404)
Adjusts funding for extraordinary repairs	(17,727)	0	(17,727)
Changes the funding source for cancer related programs to provide funding from the tobacco prevention and control trust fund	(744,804)	0	(744,804)
Changes the funding source for federal Environmental Protection Agency litigation to provide funding from the strategic investment and improvements fund	(500,000)	0	(500,000)
Changes the funding source for stroke and cardiac care programs to provide funding from the tobacco prevention and control trust fund	(756,418)	0	(756,418)

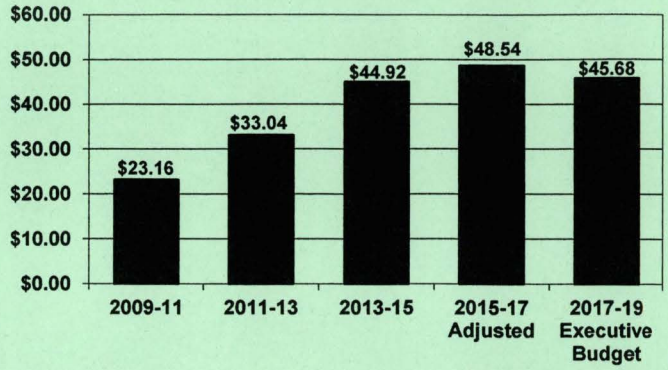
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Reduces funding for rural emergency medical services operations grants	(625,000)	183,450	(441,550)
Reduces funding for rural emergency medical services training grants	(94,000)	0	(94,000)
Adds funding to establish a Medical Marijuana Division	2,000,000	0	2,000,000
Total	($6,233,187)	$3,374,670	(2,858,517)

Department 301 - State Department of Health

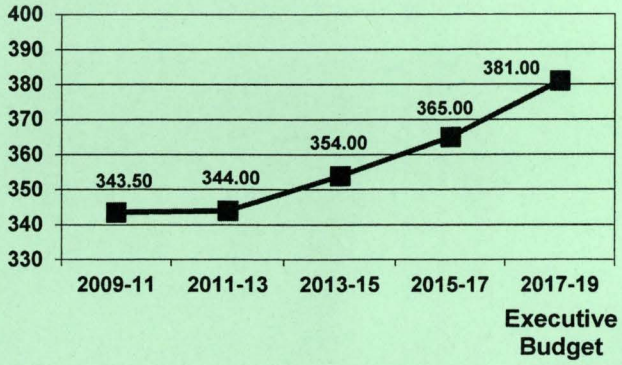
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	$23,155,294	$33,039,780	$44,921,508	$48,535,568	$45,677,051
Increase (decrease) from previous biennium	N/A	$9,884,486	$11,881,728	$3,614,060	($2,858,517)
Percentage increase (decrease) from previous biennium	N/A	42.7%	36.0%	8.0%	(5.9%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	42.7%	94.0%	109.6%	97.3%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

1. Increased funding for the domestic violence and rape crisis program grants to provide $1.7 million. $1,000,000
2. Removed 1 FTE position for injury prevention, but did not remove the funding and provided the department may transfer 1 FTE position from tobacco prevention.
3. Provided funding for prenatal alcohol screening and intervention grants. $388,458
4. Increased funding for suicide prevention and early intervention, including temporary salaries and wages ($118,751), operating costs ($172,742), and grants ($450,000). Funding from the general fund for grants totals $700,000. $741,493
5. Increased funding from the general fund for state stroke registry operating expenses ($78,500) and grants ($172,200) to replace funding from the community health trust fund during the 2009-11 biennium and to provide for a total of $473,324. $473,324
6. Increased grants to local public health units to provide a total of $3 million from the general fund. $600,000
7. Increased funding for colorectal cancer screening grants and replaces funding from the community health trust fund during the 2009-11 biennium to provide for a total of $477,600, all of which is from the general fund. $477,600
8. Added funding for grants to continue the Safe Havens supervised visitation and exchange program. $425,000
9. Added funding to provide for a public water system operator certification and training program and to reimburse operators of eligible public water systems in communities with a population of 3,300 or less for certification and training expenses. $180,000
10. Added funding for state assistance grants to emergency medical services operations and related administrative costs. $3,000,000
11. Added funding for the State Department of Health to purchase vaccines through the federal vaccine purchasing contract. $1,500,000

2013-15 Biennium

1. Added funding for 1 FTE position and related operating expenses to establish and administer an autism spectrum disorder database.	$235,732
2. Increased funding for local public health units to provide a total of $4 million from the general fund to be distributed statewide.	$1,000,000
3. Increased funding for the universal vaccine program to provide a total of $2.5 million from the general fund.	$1,000,000
4. Added funding for a loan repayment program for dentists who practice in a public setting or nonprofit dental clinic using a sliding fee scale schedule to bill patients.	$180,000
5. Added funding for recommended followup colorectal screenings to provide a total of $762,800 from the general fund for the colorectal screening initiative.	$285,200
6. Added funding for FTE positions ($1,137,068) in air quality (1 FTE position), municipal facilities (3 FTE positions), waste management (1 FTE position), and water quality (3 FTE positions) to meet increased demands in the oil-impacted areas, including operating expenses ($602,963) and equipment over $5,000 ($272,000).	$1,409,382
7. Increased funding for operating costs.	$257,803
8. Added funding for 1 FTE position ($135,000) to implement a community paramedic/community health care worker pilot project, including funding of $141,600 for educational startup costs.	$276,600
9. Increased funding for rural emergency medical services grants to provide a total of $7.34 million, of which $1.25 million is from the insurance tax distribution fund.	$2,150,000
10. Increased the veterinarian loan program to provide $485,000 from the general fund.	$350,000
11. Increased funding for the medical personnel loan repayment program to provide $576,788 from the general fund.	$231,788
12. Increased funding for continued implementation of the statewide integrated stroke system of care to provide a total of $856,324 from the general fund.	$383,000
13. Increased funding for the comprehensive state trauma system to provide a total of $432,000 from the general fund.	$332,000

2015-17 Biennium (Original Amounts)

1. Increased funding for the universal vaccine program by $576,853 to provide a total of $3,076,853 from the general fund. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$576,853
2. Added funding to contract with the University of North Dakota School of Medicine and Health Sciences to provide a total of $480,000 from the general fund to perform autopsies in the eastern part of the state, the same as the 2013-15 biennium appropriation. In addition, $160,000 from the general fund was added to the budget of the University of North Dakota School of Medicine and Health Sciences for Department of Pathology services to provide a total of $640,000 from the general fund, $160,000 more than the 2013-15 biennium.	480,000
3. Added funding for costs related to the Environmental Protection Agency lawsuit.	$500,000
4. Added funding for 1 FTE food and lodging inspector position, including salaries and wages and operating expenses.	$149,975
5. Added funding for 10 FTE positions in the Environmental Health section, including air quality (3 FTE positions), municipal facilities (2 FTE positions), waste management (2 FTE positions), and water quality (3 FTE positions) to meet increased demands in oil-impacted areas, including salaries and wages ($1,388,986) and operating expenses ($315,518).	$1,204,494
6. Increased funding for the medical loan repayment program to provide a total of $698,800 from the general fund. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$122,012
7. Increased funding for grants to local public health units to provide a total of $4.25 million from the general fund. In addition, House Bill No. 1176 provides $2 million from the oil and gas impact grant fund for grants to local district health units that are located in oil-producing counties to address the effects of oil and gas-related development activities.	$250,000
8. Increased funding for rural emergency medical services (EMS) grants to provide a total of $8.44 million, of which $1.25 million is from the insurance tax distribution fund and $7.19 million is from the general fund. Funding is provided for training grants ($940,000) and rural EMS grants ($7.5 million). In addition, a section is added to provide that of the $7.5 million provided for rural EMS grants, at least 85 percent be distributed to EMS providers that do not receive oil impact grant funding. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$1,100,000

9. Increased funding for domestic violence and rape crisis program grants to provide a total of $2.25 million, of which $1.91 million is from the general fund and $340,000 is from special funds. (This funding was reduced as part of the general fund budget reductions approved in August 2016.)	$200,000

2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

1. Adjusts the funding source of grants to local public health units to provide a total of $4.25 million, the same as last biennium, of which $1 million is from the tobacco prevention and control trust fund. **The Senate increased funding from the tobacco prevention and control trust fund by $1 million from the base budget to provide a total of $5.25 million, of which $3.25 million is from the general fund and $2 million is from the tobacco prevention and control trust fund.**	($1,000,000)
2. Changes the funding source for the physician loan repayment program to provide $480,000 from the tobacco prevention and control trust fund.	($480,000)
3. Changes the funding source for the behavioral health loan repayment program to provide $243,640 from the tobacco prevention and control trust fund.	($243,640)
4. Base budget adjustment to operating expenses to discontinue the universal vaccine program.	($1,276,853)
5. Changes the funding source for cancer related programs to provide funding from the tobacco prevention and control trust fund.	($744,804)
6. Changes the funding source for federal Environmental Protection Agency litigation to provide funding from the strategic investment and improvements fund.	($500,000)
7. Changes the funding source for stroke and cardiac care programs to provide funding from the tobacco prevention and control trust fund.	($756,418)
8. Reduces funding for rural emergency medical services operations grants to provide a total of $6,875,000, of which $5,625,000 is from the general fund and $1,250,000 is from the insurance tax distribution fund.	($441,550)
9. Reduces funding for rural emergency medical services training grants to provide a total of $846,000 from the general fund.	($94,000)
10. Adds 17 FTE positions and related funding for a Medical Marijuana Division, including operating expenses and equipment.	$2,057,644
11. The Burgum budget removed 1 FTE position in the Environmental Health Division.	($111,233)
12. The Burgum budget removed 4 FTE positions from the Medical Marijuana Division.	($149,786)
13. The Burgum budget reduced funding for operating expenses in the Medical Marijuana Division.	($188,000)

SB2004
03.06.2017
#1

Testimony
Senate Bill 2004
House Human Services Appropriations Committee
Monday, March 6, 2017
North Dakota Department of Health

Good morning, Chairman Pollert and members of the Human Resources Division of the House Appropriations Committee. My name is Arvy Smith and I am the Deputy State Health Officer of the North Dakota Department of Health (NDDoH). I am here today to testify in support of Senate Bill 2004.

Mission

The mission of the NDDoH is "to protect and enhance the health and safety of all North Dakotans and the environment in which we live."

To accomplish our mission, we focus on seven major goals. Each of our goals is supported by a list of objectives and outcome performance measures that help us assess our progress toward our goals. In our submitted budget document, we report our performance for each objective. On the following page is the department's strategic plan which details our mission, goals and objectives.

Department Overview

The department pursues its goals and objectives through six departmental sections:

- Administrative Support
- Community Health
- Emergency Preparedness and Response
- Health Resources
- Medical Services
- Environmental Health

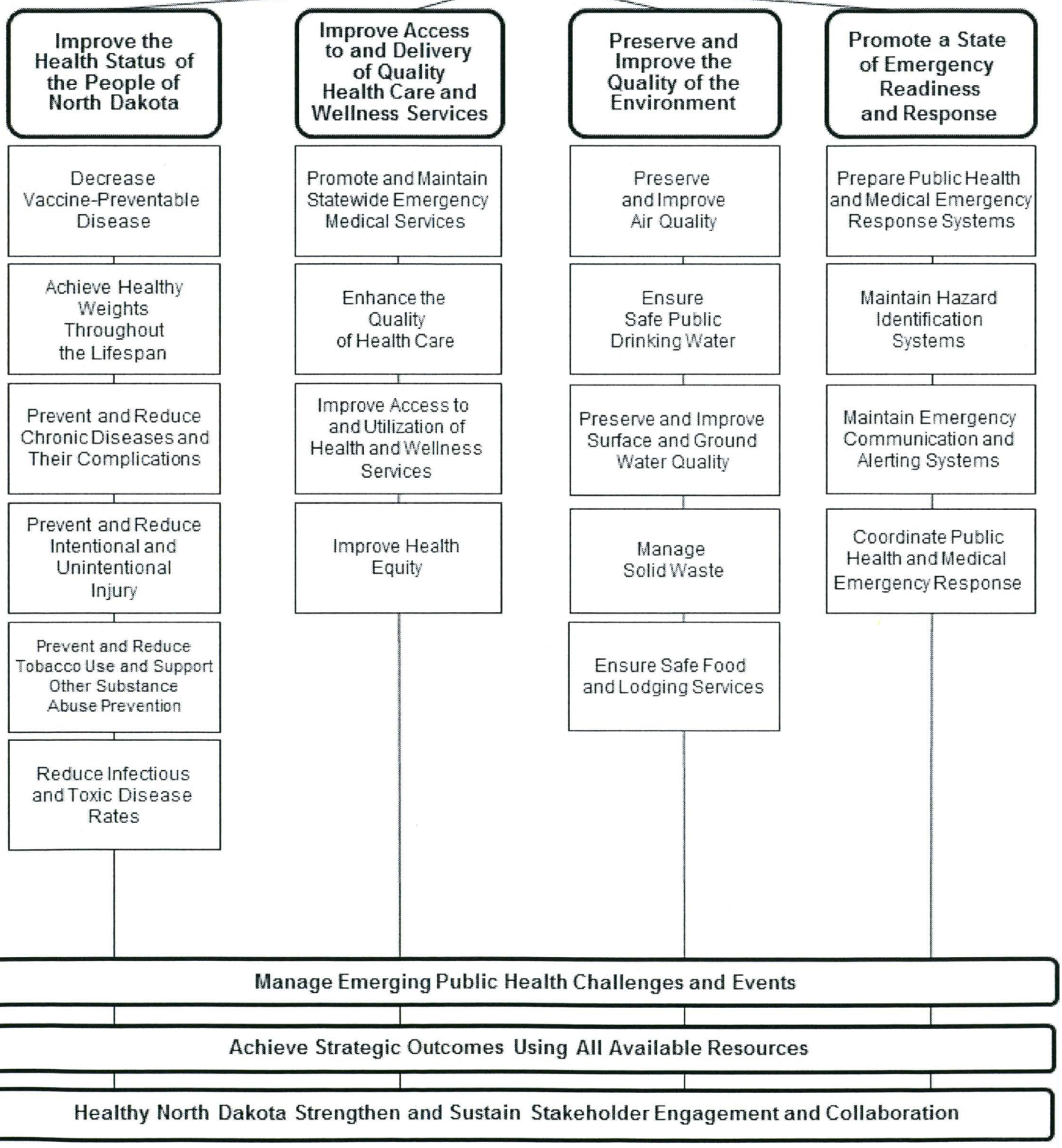
Each section is composed of several divisions that house the individual programs that carry out the work of the section. A copy of our organizational chart can be found at Appendix 1. Descriptions of the sections, divisions and programs are available in our biennial report on our website at ndhealth.gov.

NORTH DAKOTA DEPARTMENT of HEALTH

Strategic Plan: 2016 – 2020

MISSION:
Protect and Enhance the Health and Safety of All North Dakotans and the Environment in Which We Live

April 25, 2016



While most people know in general that public health is important, they are not always sure what public health is or how it affects their lives. In fact, the efforts of public health professionals touch the lives of every North Dakotan every day:

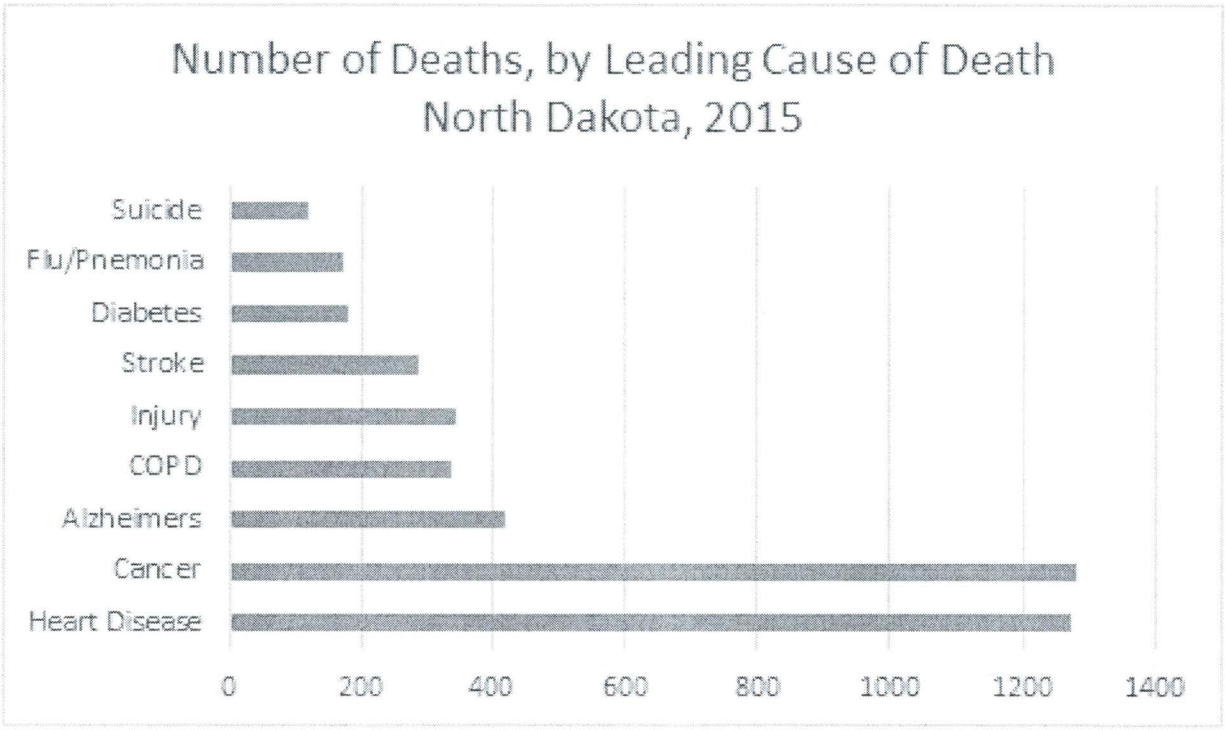
- Our **Environmental Health** section monitors the quality of North Dakota's air and water, ensuring that our environment provides us with a healthy basis for our lives.
- Our **Health Resources** section ensures that health facilities are safely and adequately serving residents and patients, and that food and lodging establishments meet all necessary safety requirements. The new medical marijuana division will be housed in this section as well.
- Our division of **Disease Control** monitors infectious diseases, identifies and contains disease outbreaks, educates the public, and manages state vaccination data.
- Our **Community Health** section manages programs that help North Dakotans quit smoking; receive breast, cervical and colorectal cancer screening; improve diet and physical activity habits for management of chronic disease and improved quality of life; manage diabetes; care for children with special needs; maintain nutrition levels during pregnancy and the first years of a child's life; care for health needs of women, infants and children; and reduce injuries, suicide, and domestic and sexual violence.
- Our **Emergency Preparedness and Response** section ensures that our public health system is prepared and able to respond to emergencies, such as Zika, floods, fires or tornados; that hospitals and health care facilities are prepared for emergencies; and that our ambulance services are meeting the needs of citizens and provide the best quality of care possible.

Highlighted Accomplishments – Following are examples of things the department accomplished over the last biennium:

- Compliance rates for all environmental health regulatory programs have consistently exceeded national levels, even while responding to increased needs related to the energy industry.
- The North Dakota tobacco quitline, NDQuits, has consistently achieved a seven-month post enrollment quit rate of 30%, which meets national standards. Nearly 5,500 people enrolled in NDQuits in FY 2016, 905 more than were enrolled in FY 2015.
- Infant and adolescent vaccination rates have consistently been above national vaccination rates since 2001. In 2015, infant rates were 80% compared to 72% for the U.S. and adolescent rates for tetanus, diphtheria, pertussis and meningitis were at 90%, slightly above the U.S. average. Efforts to improve vaccination rates among school children have resulted in kindergarten vaccination rates increasing from 90% to 94%.
- A state medical cache, valued at $14.7 million has been accumulated and strategically placed throughout the state to be used by state and local government and the medical community to respond to emergencies. The cache consists of durable and disposable medical supplies, equipment and vehicles including pharmaceuticals, medical instruments, transport vehicles, medical shelters, trailers and tents, communications equipment, generators, and other emergency response items.
- Through state loan repayment programs, 29 health professionals were placed in shortage areas around the state. Eleven of those 29 are behavioral health professionals. This is a significant increase from the 18 total positions that were supported in the last biennium.
- Suicide prevention funding of $840,000 was provided to various agencies, including schools, tribal organizations, social service agencies and medical agencies to work on suicide prevention efforts and early identification of suicidal thoughts.
- The Department continues to respond to newly emerging disease threats such as Ebola virus, Zika virus and newly emerging influenza viruses.

Overview of Health Statistics

In order to address public health concerns, we need to know the status of health across the state. As the chart below shows, the six most common causes of death in North Dakota are heart disease, cancer, Alzheimer's disease, chronic obstructive pulmonary disease, injury and stroke.



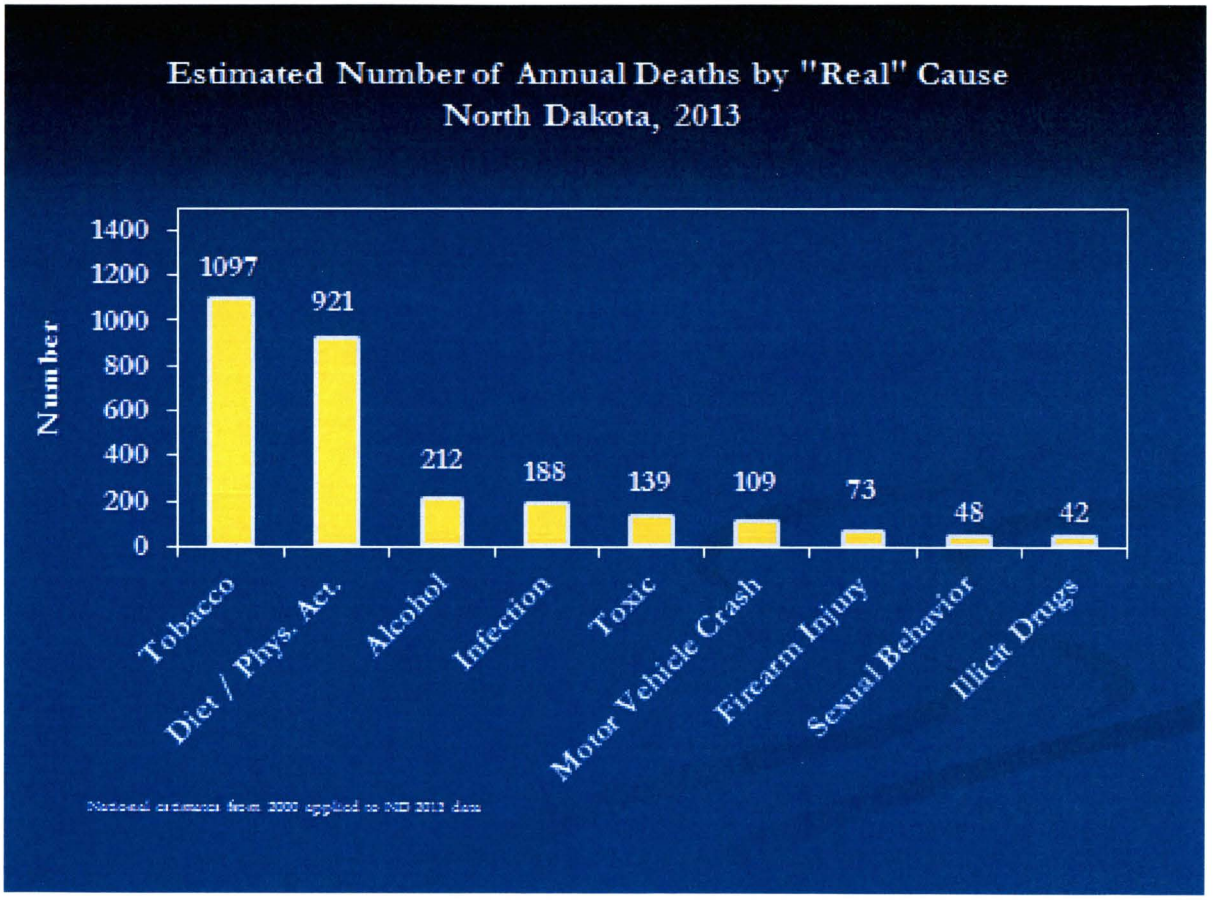
One way to look at the leading causes of death is by age group, as shown in the chart below. This information is important for policymakers, clinicians and public health professionals to develop age-appropriate health-related strategies to improve the health and wellness of all North Dakota citizens.

Unintentional injury accounts for the greatest number of deaths to people between the ages of 1 and 44. Suicide is the number two cause of death between the ages of 15 and 34. The diseases listed on the first graph, heart disease and cancer, don't become common killers until the middle of life, raising to the number one and two slots at 45 years and older.

Leading Causes of Death by Age
North Dakota 2013-2014

Less than 1	Age 1-4	Age 5-9	Age 10-14	Age 15-24	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age 65+
PRE-MATURITY 28	UNINT. INJURY 6	UNINT. INJURY 2	UNINT. INJURY 5	UNINT. INJURY 82	UNINT. INJURY 85	UNINT. INJURY 57	CANCER 145	HEART 260	HEART 2160
ANOMALY 26	RESPIRATORY DISEASE 1	CANCER 1	CANCER 1	SUICIDE 43	SUICIDE 52	SUICIDE 44	HEART 125	CANCER 449	CANCER 1876
PREG COMP 13	CANCER 1	ENDOCRINE DISEASE 1		CANCER 7	HEART 20	HEART 41	UNINT. INJURY 69	UNINT. INJURY 73	ALZHEIMER'S 856
UNINT. INJURY 3				HEART 4	CANCER 17	CANCER 31	SUICIDE 47	COPD 56	COPD 578
					CIRRHOSIS 11	CIRRHOSIS 20	CIRRHOSIS 42	DIABETES 48	STROKE 532
					HOMICIDE 11	DIABETES 11	STROKE 25	CIRRHOSIS 47	INFLUENZA/ PNEUMONIA 304

Public Health's primary mission is the prevention of the risk factors and behaviors that cause death and disease in North Dakota across the entire age spectrum of the whole population. The next slide shows the underlying risk factors that lead to disease in North Dakota. As you can see, tobacco remains the number one risk factor associated with various cancers and cardiovascular disease, followed closely by poor diets and lack of physical activity, which are associated with diabetes, heart disease, stroke and some cancer.



One avenue to reach significant numbers of people and change risky behaviors is through worksites and schools in North Dakota. Consistent messages for parents at their workplaces and for students in schools will reinforce and encourage healthy behaviors in our society. Healthy students are in a better position to learn, which will positively impact their lives, including their ability to find adequate employment in the workforce.

Recent Public Health Efforts

The Department of Health has spent significant effort in several areas since we last came before the legislature. Following are a few issues we think will continue to impact the health department into the next biennium.

- Response to Dakota Access Pipe Line (DAPL) – The department's role in DAPL is to provide or arrange for wrap around medical and food services to law enforcement working long hours at the forward operating base.
- Environmental energy issues and increasing federal regulations – While oil activity has declined in recent months, as you will hear from Dave Glatt a little later, there is still much work to be done by the Environmental Health Section to protect the state's environmental resources.
- Implementation of the medical marijuana program approved by voters in November, 2016 – The department is reviewing information from other states and model law developed by the National Conference of State Legislatures (NCSL) to implement effective processes to register, license, and regulate compassion centers, caregivers and patients on the use of marijuana for medical purposes in the state.
- Data use, security, and redundancy – With the publicity of numerous data breaches in the country, the department created an inventory of all data applications and evaluated each for sensitivity, vulnerability, criticality and risk and is busy making improvements to security and back-up where necessary.
- Over the last two years the department has worked to become accredited as a health department by the national Public Health Accreditation Board (PHAB). This has inspired us to become more effective in many areas of the work we do particularly through quality improvement initiatives. We hope to be accredited soon.
- Public Health/Primary Care Integration - In the broad field of health care, the two primary systems are the system of public health and the system of clinical health. Clinical health professionals are primarily trained to diagnose and treat individuals with disease and in clinical settings while

public health professionals work at the prevention end of the spectrum by influencing behavior that leads to disease. Both systems are important and can benefit from integration through collaboration and partnerships. Under the leadership of Dr. Dwelle, former State Health Officer, the department began efforts to engage the private sector in discussions to integrate processes to reduce tobacco use, address pre-diabetes and increase cancer screenings to fight against development of disease and other health problems of North Dakota. We plan to continue and expand this collaborative effort with our private sector partners.

Budget Overview

The total budget for the North Dakota Department of Health recommended by Governor Dalrymple for the 2017-19 biennium and included in Senate Bill 2004 is $197,844,162.

The recommended general fund budget is $45,677,051 (23%) of the executive budget. That is equivalent to $30 per capita per year. Federal funds are recommended at $118,990,680 (60%), and special funds at $33,176,431 (17%).

2015-17 Budget

The schedule at Attachment A of the financial attachments shows a summary of the 2015-17 legislatively approved budget, the budget reductions approved during the August 2016 special session, and other changes to arrive at the 2015-17 base level budget as presented in SB 2004.

Attachment B provides a detailed schedule of the budget reductions approved during the August 2016 special session. Of the $3,374,670 allotment, the most significant reduction was the change in vaccine funding at local public health units. As of July 1, 2016 the department discontinued using state general funding to purchase vaccines for insured children vaccinated at local public health units; local public health units began billing insurance for these vaccines and administrative costs. This saved $1,700,000 in the current biennium and $2,976,853 in the 2017-19 biennium. In addition, the department was able to shift $404,812 from general funding to federal funding or revenue from existing fees. Grants and contracts in various categories were reduced $990,000 mainly due to anticipated spending at amounts below what was budgeted. Finally, department employees did not receive 1% of the legislatively approved salary increase for July 1, 2016.

2015-17 Status of One-Time Funding

Environmental Health Equipment - $780,000

- Air Quality Monitoring Station budgeted at $180,000 special funds – equipment was received. Final cost was $129,448 special funds.
- Lab Equipment budgeted at $600,000 ($292,000 general fund, $186,000 federal funds, and $122,000 special funds) has been received and installed. The final cost was $382,869 ($292,000 general fund and $90,869 special funds).

Medical Services Digital X-ray Machine - $44,000

The digital X-ray machine was budgeted at $44,000 from the general fund. It was received in October 2015 at a final cost of $51,500.

WIC System Upgrade - $1,712,110

The federally funded WIC system Electronic Benefit Transfer (EBT) upgrade, mandated to be implemented by October 2020, was delayed until the 2017-19 biennium. During the current biennium, ND WIC transferred in a newer Management Information System (MIS) since the old system would have required significant and costly changes before it could support EBT. This funding will not be spent in the 2015-17 biennium.

2015-17 Estimated Spending

Estimated spending for the 2015-17 biennium will be within one percent of the state general fund appropriation and within approximately 5% of the federal fund appropriation. Special funding is running close to what was budgeted.

Approximately $6.3 million in budgeted federal spending will not occur as a result of not being awarded several federal grants we applied for. A portion of that may also be due to roll up from vacant positions. After the general fund allotment, we may see an additional $400,000 unspent general funding, approximately half of that from unexpended contracts in the colorectal cancer screening program and the other half from salary roll up. A new, effective, cheaper colorectal cancer screening process is available, resulting in less individuals receiving colonoscopies and reducing costs.

2017-19 Budget

Attachment C provides a summary of the department's 2017-19 budget request compared to the base level budget presented in Attachment A. Along with

several adjustments, the 10% budget reduction required by Governor Dalrymple is included in the summary and detailed on Attachment D.

Of the $5,154,975 reduction amount, $2,976,853 was to continue the change made July 1, 2016 regarding vaccine purchases for local public health units, $1,005,955 was due to funding shifts to federal funds or existing fee revenue, and one FTE was eliminated in Water Quality for $153,819. In addition, grant and contract reductions of $533,556 were made in various programs. Finally, holding back 1% of the July 1, 2016 increase generated $296,892 of the ten percent general fund reduction. Miscellaneous operating reductions were also taken.

2017-19 Optional Budget Requests

The department submitted one optional budget request to purchase a cyber risk insurance policy and to secure additional backup storage for critical applications run by the department. The policy was intended to provide access to professional assistance to help the department comply with applicable laws and regulations. The amount of the optional request was $400,000 with $325,000 from the general fund and $75,000 from federal funds. This request was not funded. However, HB 1088 which has been approved by both houses addresses data breach response and remediation costs for state agencies.

2017-19 Executive Budget – Governor Dalrymple

Attachment E presents changes made to the department budget request to arrive at the executive budget request. Of the changes, $3,224,862 was a funding source shift from the general fund to the Tobacco Prevention and Control Trust Fund (TPCTF). An increase of $3,000,000 from the TPCTF was added for local public health unit tobacco prevention activities. A $500,000 shift from the general fund to the State Investment and Improvement Fund was made for the EPA lawsuit. To implement the mandate for a medical marijuana program in North Dakota, $7 million with $2,000,000 from the general fund and $5 million from fees along with 17.0 FTE was provided. EMS Rural Assistance Grants and EMS Training Grants were reduced $467,820 and $94,000, respectively, to reflect a 10% cut to each of these two programs.

Appendixes G, H, I and J contain pie charts showing the percentages of our budget by funding source, spending category, section by dollar amount and section by number of FTE. These pie charts are based on Governor Dalrymple's budget.

The Community Health and the Environmental Health sections make up 62 percent of our total budget. The Environmental Health section employs almost half of our employees. Our administrative overhead is only 3.34 percent of our total budget.

A comparison of our overhead rates for the last several biennia is as follows:

2009-11	2011-13	2013-15	2015-17	2017-19
2.78%	3.57%	3.33%	3.32%	3.34%

Our overhead costs to administer around 100 different programs have remained low. These rates have held steady over the last several biennia.

A network of 28 local public health units and many other local entities provide a varying array of public health services with funding provided by the department. Some of the local public health units are multi-county, some are city/county and others are single-county health units. Other local entities providing public health services include domestic violence entities, family planning entities, Women, Infant and Children (WIC) sites and natural resource entities. Grants and contracts amounting to $78.3 million or 40 percent of our budget are passed through to the local public health units and other local entities to provide public health services. Approximately $23.4 million goes to local public health units, and $23.9million goes to other local entities. The remaining $31.0 million goes to state agencies, medical providers, tribal units and various other entities.

Salaries and Wages

Salaries and wages make up $64,811,889 or 33 percent of our budget. The increase to the salaries line item is the recommended salary package and the amount necessary to continue the second year of the 2015-17 biennium increases.

Operating Expenses

Our operating budget of $38,494,458 makes up 19 percent of our budget. Operating Expenses have been reduced as a result of the changes described earlier related to eliminating expenditures for federal grants that were not awarded and the 10% budget reduction.

Capital Assets

Capital assets of $3,446,740 make up only 2 percent of our total budget. The bond payment on our laboratory, the state morgue and a storage building, and equipment costing more than $5,000 make up a majority of this line item.

Grants

Grants, which are provided to many local entities across the state, are at $58,135,670 and make up 29 percent of our budget. The majority of grants are in the Community Health, Emergency Preparedness and Response, and Environmental Health Sections. Grants are up slightly as a result of the addition of TPCTF provided for LPHUs offset by reductions in federal funding anticipated and reductions made to EMS grants discussed earlier.

Special Line Items

There are three special line items included in the executive recommendation.

Tobacco Prevention and Control is at $5,697,761 or 3 percent of our budget. This line item is down by 18 percent due to a decrease in the federal grant and a reduction in the revenue available in the Community Health Trust Fund. Note that overall the budget for tobacco prevention and control in the DoH budget is increasing as a result of the $3 million added to the grants line item for tobacco.

Special Supplemental Nutrition Program for Women, Infants and Children (WIC) Food Payments make up $20,200,000 or 10 percent of our budget. This is consistent with current usage. Administration by the local WIC sites is included in the grants line item.

The third special line item, medical marijuana, is budgeted at $7,057,644 and accounts for four percent of our budget.

2017-19 One-Time Funding Included in SB 2004

The executive budget includes $1,739,220 for the WIC program to convert the distribution of benefits from a paper process to an electronic benefit transfer. The funding for this change is supported by federal funding. The other one-time request of $1,197,903 is related to the Medical Marijuana program. The amount requested includes costs for the purchase of a system and software for the registration process for qualified patients and designated caregivers along with the inventory of the compassion centers, the estimated costs to prepare office

space, and the purchase of one-time office equipment and computers. The funding for these costs will be supported by registration fees from the program.

Federal Funding Changes

As indicated earlier, 60 percent of the Department of Health budget comes from the federal government in the form of approximately 80 federal grants. Our budget request includes a decrease of just under $4.1 million in federal funding. The changes and impact are as follows:

- Administrative Support Section - the amount received for the federal State Loan Repayment Program decreased by $414,000 based on past loan activity. The department only extends repayment contracts to the extent of federal funding. This reduction is offset by an increase in the amount collected from the federal government for indirect costs of the department.
- Medical Services Section - Immunization funding has decreased by approximately $300,000 due to the completion of interoperability projects. This decrease is offset by increases in federal funding for Epidemiology and Lab Capacity (ELC) of $750,000, Medicaid funding to support HiTech Interoperability of $340,000 along with funding for Occupational Health Epidemiology of $200,000.
- Community Health Section - The net decrease in federal funding in this area is $1.5 million based on the following: Three federal grants totaling $3.6 million that were included in the 2015-17 biennium budget which we had anticipated receiving were not awarded to the department. Additionally, the CDC Tobacco grant funding decreased by $1.2 million. Grants and contracts and other operating expenses have been adjusted accordingly. To offset these decreases the budget includes increases in several other grants ranging from $200,000 to $600,000 for the biennium totaling approximately $3.3 million collectively. A schedule of these additional grant changes can be provided upon request.
- Environmental Health Section - While federal funding in this area overall decreased by $160,000, the funding from the EPA block grant decreased by almost $675,000 primarily due to less carryover funds being available. We are anticipating that future funding from this federal grant will continue to decrease resulting in little to no carryover. Operating expenses have been adjusted accordingly. This decrease in federal funds has been offset primarily by increases in the federal Clean Diesel grant and the ELC grant for the work performed at the State Laboratory.

- Emergency Preparedness and Response Section - Federal funds decreased in this section by $3.2 million. A federal grant for $1.4 million we had anticipated receiving and included in the 2015-17 budget was not awarded. Funding of $1.5 million for Ebola was removed from the budget as a result of the completion of the grant activities. The remaining reduction is a result of carryover funds from the Hospital Preparedness Program that have been expended and are no longer available. Expenditures have been adjusted accordingly.

As in the past, the status of our federal funding is often uncertain. With that uncertainty, we prepared our budget by assuming that federal grant amounts will hold even, except as noted above. We recognize that as we proceed through the next biennium we will have to make adjustments to our budget, operations and possibly staffing if federal funding changes from the amounts included in our budget request.

We have recently become aware of two additional funding sources that we were not aware of when our budget was prepared and went through the Senate. We have received notice that we will receive an additional $1,043,098 in Ebola funding from the federal government. We will also be receiving approximately $7.2 million from a settlement with Volkswagen for an emission lawsuit. We are continuing to develop details as to how this money would be spent and hope to provide additional information when we go through budget details with you.

2017-19 Revised Executive Budget

The adjustments to the executive budget to arrive at the revised executive budget for the 2017-19 can be found at Attachment F. Reductions totaling $1,908,873 with $888,843 from the general fund and 5 FTE were made. The July 1, 2018 1% salary increase was removed and a reduction was made to reflect a 5% employee contribution to the health insurance premiums. One FTE was removed from the Air Quality Division totaling $139,041 with $111,233 from the general fund and $100,000 special funding was removed from the colorectal cancer program. Finally, $812,278 with $337,786 from the general fund and 4 FTE were removed from the medical marijuana budget. The revised executive budget is at $195,935,289 with $44,788,208 from the general fund and 376 FTE.

Senate Adjustments to SB 2004

The Senate adjustments to SB 2004 can also be found at Attachment F, in the bottom row. The Senate restored the 5% employee contribution to health

insurance premiums and added $1 million from the Tobacco Prevention and Control Fund to local public health state aid.

Several changes were made in tobacco spending. In the NDDoH budget, $3,453,333 and 1 FTE were added to the Tobacco Prevention and Control line item/program. Also $3 million included in the executive budget for local public health units was moved from the Administrative Support Section Grants line item to the Community Health Section Tobacco Prevention and Control line item. Of the additional funding for tobacco prevention and control, $2.5 million was for local public health unit grants and the remainder was for 1 FTE to manage the local public health unit tobacco grants ($203,353), tribal grants ($200,000), communications ($300,000), surveillance ($200,000) and other minor changes.

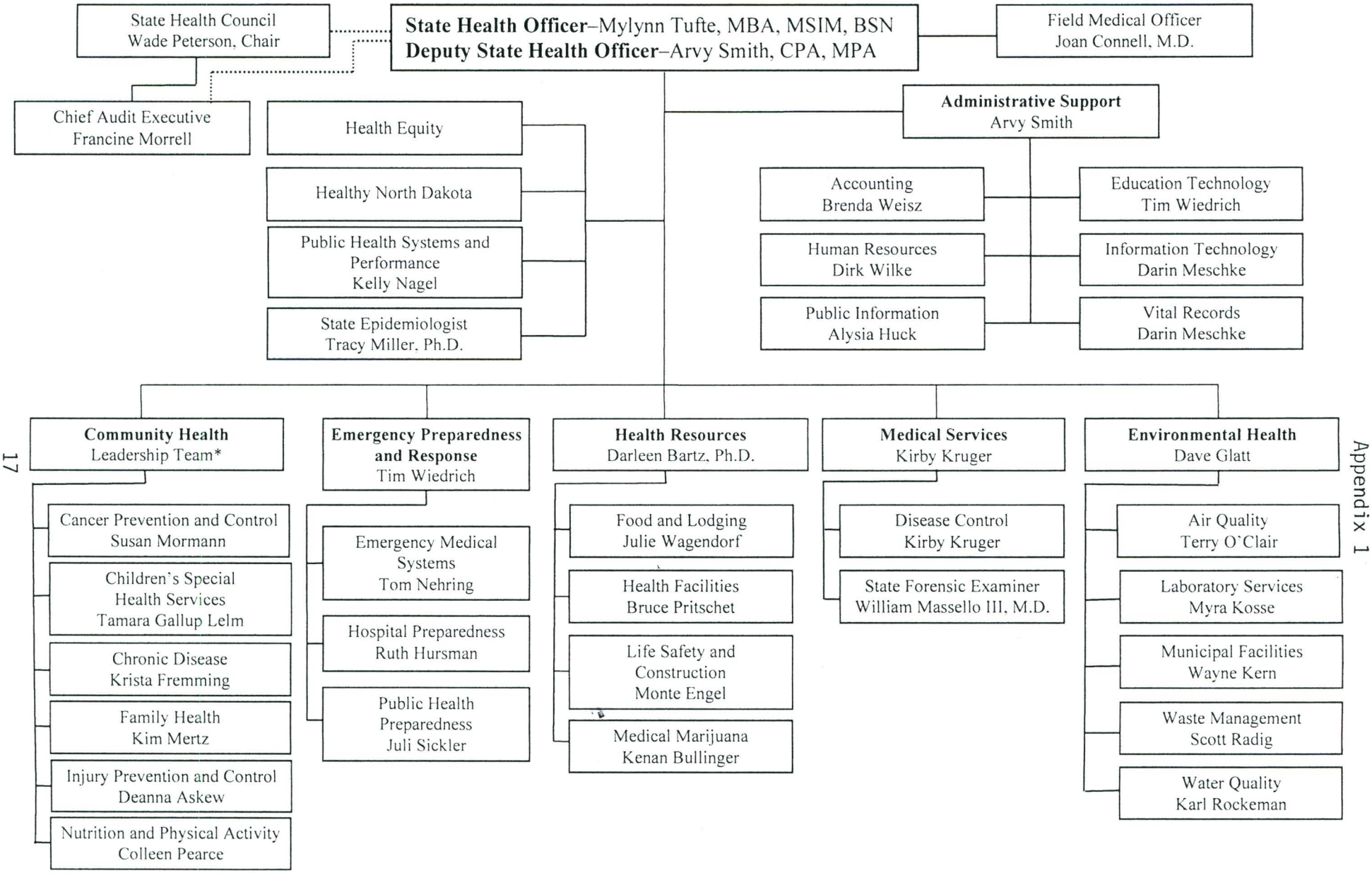
With the changes to SB 2024 and SB 2004, tobacco spending in total for the state went from approximately $24 million and 12.85 FTE down to approximately $12 million and 5.85 FTE. During the detail portion of our budget testimony we will present schedules showing the status of the Tobacco Prevention and Control Fund and the Community Health Trust Fund. Spending from the Tobacco Prevention and Control Fund at the current level cannot be sustained after the 2019-21 biennium.

Conclusion

Chairman Pollert, members of the Committee, this concludes the department's testimony on Senate Bill 2004. I will now invite Dave Glatt, Environmental Health Section Chief, to present to you a report regarding the environmental impacts in the western part of the state. After that our staff and I are available to respond to any questions you may have.

NORTH DAKOTA
DEPARTMENT of HEALTH

Organizational Chart
February 2017



*The six division directors share responsibility for management of the Community Health Section

NORTH DAKOTA
DEPARTMENT *of* HEALTH

Testimony

SB 2004

House Appropriations Committee

Human Resources Division

Financial Attachments

Monday, March 6, 2017

Attachment A

Testimony
SB 2004
House Appropriations Committee - Human Resources Division
Monday, March 6, 2017
North Dakota Department of Health
2015 - 17 Base Level Budget

Description	2015-17 Legislatively Approved Budget	Add Equity Increases Incl in SB 2015	Allotment	Removal of One-time Items	Subtotal of Changes	2015 - 2017 Base Level Budget
Salaries & Wages	62,634,787	724,558	(443,427)	(110,000)	171,131	62,805,918
Operating Expenses	44,266,688		(2,066,243)	(1,602,110)	(3,668,353)	40,598,335
Capital Assets	3,719,232			(824,000)	(824,000)	2,895,232
Capital Assets Carryover (F&L IMS)	253,876			(253,876)	(253,876)	0
Grants	57,961,760		(865,000)		(865,000)	57,096,760
Tobacco Prevention & Control	6,910,177				0	6,910,177
WIC Food Payments	20,200,000				0	20,200,000
Medical Marijuana	0				0	0
Total	195,946,520	724,558	(3,374,670)	(2,789,986)	(5,440,098)	190,506,422
General Fund	51,521,680	724,558	(3,374,670)	(336,000)	(2,986,112)	48,535,568
Federal Funds	123,057,440			(1,945,986)	(1,945,986)	121,111,454
Special Funds	21,367,400			(508,000)	(508,000)	20,859,400
Total	195,946,520	724,558	(3,374,670)	(2,789,986)	(5,440,098)	190,506,422
FTE	365.0	0.0	0.0	0.0	0.0	365.0

Attachment B

Testimony
SB 2004
House Appropriations Committee - Human Resources Division
Monday, March 6, 2017
North Dakota Department of Health
2015 - 17 Budget Allotment

Salaries / Wages		
Staff Turnover / Rollup	70,413	
Funding shifts		
Administrative Support	81,000	
Colorectal Cancer	68,354	
Environmental Health	75,215	
Hold back 1% of salary increase July 1, 2016	148,445	
Total Salaries / Wages		443,427
Operating		
Limit GF travel other operating reductions - AS	8,000	
Travel and other operating - EH	53,000	
Universal Vaccine	1,700,000	
Funding Shift - Colorectal Cancer	26,646	
Funding Shift - increase in indirect funds - Admin	78,597	
Professional Fees Stroke Registry, Trauma, Cardiac Care System	200,000	
Total Operating		2,066,243
Grants		
Domestic Violence	15,000	
Prenatel Alcohol Syndrome	15,000	
Rural EMS	183,450	
Stroke Registry	116,550	
Dental Loan Repayment	280,000	
Dental Loan Repayment funding shift	75,000	
Healthcare Professional Loan Repayment	139,000	
Veterinarian Loan Repayment	41,000	
Total Grants		865,000
Total Allotment		3,374,670

Attachment C

Testimony
SB 2004
House Appropriations Committee - Human Resources Division
Monday, March 6, 2017
North Dakota Department of Health
2017 - 19 Budget Request

		Base Budget Changes							
Description	2015 - 2017 Base Level Budget	Add Back Allotment	Base Payroll Changes	Costs to Continue	Net Changes to One Capital Items*	Add One Time WIC System	90% Budget Request	Total Changes to Base Level Budget	2017 - 19 Requested Budget
Salaries & Wages	62,805,918	443,427	764,476			110,000	(643,301)	674,602	63,480,520
Operating Expenses	40,598,335	2,066,243		(2,415,937)		1,594,220	(3,348,403)	(2,103,877)	38,494,458
Capital Assets	2,895,232				551,508			551,508	3,446,740
Capital Assets Carryover F&L IMS	0							0	0
Grants	57,096,760	865,000		(1,941,114)		35,000	(358,156)	(1,399,270)	55,697,490
Tobacco Prevention & Control	6,910,177		48,856	(1,278,993)				(1,230,137)	5,680,040
WIC Food Payments	20,200,000							0	20,200,000
Medical Marijuana	0							0	0
Total	190,506,422	3,374,670	813,332	(5,636,044)	551,508	1,739,220	(4,349,860)	(3,507,174)	186,999,248
General Fund	48,535,568	3,374,670	408,577	100,596	(28,131)		(5,154,975)	(1,299,263)	47,236,305
Federal Funds	121,111,454		399,115	(4,768,923)	(577,876)	1,739,220	535,147	(2,673,317)	118,438,137
Special Funds	20,859,400		5,640	(967,717)	1,157,515		269,968	465,406	21,324,806
Total	190,506,422	3,374,670	813,332	(5,636,044)	551,508	1,739,220	(4,349,860)	(3,507,174)	186,999,248
FTE	365.0	0.0	0.0	0.0	0.0	0.0	(1.0)	(1.0)	364.0

* - Includes Bond Payments, Extra Ordinary Repairs, Capital Payments, Equipment over $5,000.

Testimony **Attachment D**

SB 2004

House Appropriations Committee - Human Resources Division

Monday, March 6, 2017

North Dakota Department of Health

2017 - 19 90% General Fund Request

Section \ Description	Amount
Administrative Services	
Hold back 1% of July 1, 2016 increase	(66,980)
Indirect Costs - increase in Federal / Other funds	(281,559)
Reduce extra for UND PCO contract	(50,000)
Loan Repayment obligation - hold even	(40,160)
Total	(438,699)
Medical Services	
Hold back 1% of July 1, 2016 increase	(36,494)
Universal Vaccine	(2,976,853)
Funding shift - increase in Federal funds	(54,342)
Total	(3,067,689)
Health Resources	
Hold back 1% of July 1, 2016 increase	(30,186)
Reduction in Travel	(79,853)
Funding shift - available Federal / Special funds	(59,879)
Total	(169,918)
Community Health	
Hold back 1% of July 1, 2016 increase	(30,066)
Colorectal Cancer - funding shift - federal funds available	(145,385)
Prenatal Alcohol Syndrome grant to UND	(38,000)
Miscellaneous operating (Injury - 11,400; CSHS - 25,000 media)	(36,400)
Total	(249,851)
Environmental Health	
Hold back 1% of July 1, 2016 increase	(117,554)
Miscellaneous operating	(71,647)
Funding shift for FTE in AQ - available Special funds	(31,044)
Remove 1.0 FTE in WQ - salaries and operating	(153,819)
Funding Shift for FTE in MF (SRF)	(202,323)
Funding Shift for FTE in WM (Radiation Fees)	(231,423)
Total	(807,810)
Emergency Preparedness and Response	
Hold back 1% of July 1, 2016 increase	(15,612)
Rural EMS Providers	(157,180)
Stroke grants / professional fees	(172,116)
Cardiac System of Care	(50,000)
Trauma	(8,850)
Community Paramedic / Legal/ Medical Direction - 5% each	(17,250)
Total	(421,008)
Overall reduction	**(5,154,975)**

Attachment E

Testimony
SB 2004
House Appropriations Committee - Human Resources Division
Monday, March 6, 2017
North Dakota Department of Health
2017 -19 Dalrymple Executive Budget

Description	2015-17 Base Level Budget	2017-19 Requested Budget	Funding Shift LPHU State Aid Fund #	LPHU - Tobacco Prevention	Funding Shift - Cancer Programs #	Funding Shift - Stroke & Cardiac #	Funding Shift - Physician Loan Repymt #	Funding Shift - Behavioral Health Loan Repymt #	Subtotal Budget Changes
Salaries & Wages	62,805,918	63,480,520							0
Operating Expenses	40,598,335	38,494,458							0
Capital Assets	2,895,232	3,446,740							0
Capital Assets Carryover (F&L IMS)	0	0							0
Grants	57,096,760	55,697,490		3,000,000					3,000,000
Tobacco Prevention & Control	6,910,177	5,680,040							0
WIC Food Payments	20,200,000	20,200,000							0
Medical Marijuana	0	0							0
Total	190,506,422	186,999,248	0	3,000,000	0	0	0	0	3,000,000
General Fund	48,535,568	47,236,305	(1,000,000)		(744,804)	(756,418)	(480,000)	(243,640)	(3,224,862)
Federal Funds	121,111,454	118,438,137							0
Special Funds	20,859,400	21,324,806	1,000,000	3,000,000	744,804	756,418	480,000	243,640	6,224,862
Total	190,506,422	186,999,248	0	3,000,000	0	0	0	0	3,000,000
FTE	365.0	364.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Description	Subtotal Budget Changes	Funding Shift - EPA Lawsuit ##	Medical Marijuana	Executive Compensation Package	Reduce EMS Rural Asst	Reduce EMS Training Grants	Total Changes to Requested Budget	2017-19 Dalrymple Recomm.	Total Changes to Base Level Budget
Salaries & Wages	0			1,331,369			1,331,369	64,811,889	2,005,971
Operating Expenses	0						0	38,494,458	(2,103,877)
Capital Assets	0						0	3,446,740	551,508
Capital Assets Carryover F&L IMS	0						0	0	0
Grants	3,000,000				(467,820)	(94,000)	2,438,180	58,135,670	1,038,910
Tobacco Prevention & Control	0			17,721			17,721	5,697,761	(1,212,416)
WIC Food Payments	0						0	20,200,000	0
Medical Marijuana	0		7,000,000	57,644			7,057,644	7,057,644	7,057,644
Total	3,000,000	0	7,000,000	1,406,734	(467,820)	(94,000)	10,844,914	197,844,162	7,337,740
General Fund	(3,224,862)	(500,000)	2,000,000	727,428	(467,820)	(94,000)	(1,559,254)	45,677,051	(2,858,517)
Federal Funds	0			552,543			552,543	118,990,680	(2,120,774)
Special Funds	6,224,862	500,000	5,000,000	126,763			11,851,625	33,176,431	12,317,031
Total	3,000,000	0	7,000,000	1,406,734	(467,820)	(94,000)	10,844,914	197,844,162	7,337,740
FTE	0.0	0.0	17.0	0.0	0.0	0.0	17.0	381.0	16.0

- Funding shift to Tobacco Prevention and Control Trust Fund
- Funding shift to the State Investment and Inprovement Fund

Testimony
SB 2004
House Appropriations Committee - Human Resources Division
Monday, March 6, 2017
North Dakota Department of Health
2017 -19 Executive Budget to the Senate Budget

Description	2015-17 Base Level Budget	2017-19 Dalrymple Recomm.	Governor Burgum - Budget Adjustments: Remove 1% Compen-sation	5% Health Insur. Contrib.	Remove Air Quality FTE	Remove MM FTE and operating costs	Reduce Colorectal Cancer	Subtotal Budget Changes
Salaries & Wages	62,805,918	64,811,889	(256,741)	(561,451)	(139,041)			(957,233)
Operating Expenses	40,598,335	38,494,458					(100,000)	(100,000)
Capital Assets	2,895,232	3,446,740						0
Capital Assets Carryover (F&L IMS)	0	0						0
Grants	57,096,760	58,135,670						0
Tobacco Prevention & Control	6,910,177	5,697,761	(3,353)	(7,527)				(10,880)
WIC Food Payments	20,200,000	20,200,000						0
Medical Marijuana	0	7,057,644	(8,990)	(19,492)		(812,278)		(840,760)
Total	190,506,422	197,844,162	(269,084)	(588,470)	(139,041)	(812,278)	(100,000)	(1,908,873)
General Fund	48,535,568	45,677,051	(139,144)	(300,680)	(111,233)	(337,786)		(888,843)
Federal Funds	121,111,454	118,990,680	(105,692)	(234,086)	(27,808)			(367,586)
Special Funds	20,859,400	33,176,431	(24,248)	(53,704)		(474,492)	(100,000)	(652,444)
Total	190,506,422	197,844,162	(269,084)	(588,470)	(139,041)	(812,278)	(100,000)	(1,908,873)
FTE	365.0	381.0	0.0	0.0	(1.0)	(4.0)	0.0	(5.0)

Description	Subtotal Budget Changes	Revised Executive Budget	Restore 5% Health Insur.	Increase LPH State Aid #	Incr. Tobacco Prevention #	Total Changes to Executive Budget	Senate Budget	Total Changes to Base Level Budget
Salaries & Wages	(957,233)	63,854,656	561,451			561,451	64,416,107	1,610,189
Operating Expenses	(100,000)	38,394,458				0	38,394,458	(2,203,877)
Capital Assets	0	3,446,740				0	3,446,740	551,508
Capital Assets Carryover (F&L IMS)	0	0				0	0	0
Grants	0	58,135,670		1,000,000	(3,000,000)	(2,000,000)	56,135,670	(961,090)
Tobacco Prevention & Control	(10,880)	5,686,881	7,527		6,453,333	6,460,860	12,147,741	5,237,564
WIC Food Payments	0	20,200,000				0	20,200,000	0
Medical Marijuana	(840,760)	6,216,884	19,492			19,492	6,236,376	6,236,376
Total	(1,908,873)	195,935,289	588,470	1,000,000	3,453,333	5,041,803	200,977,092	10,470,670
General Fund	(888,843)	44,788,208	300,680			300,680	45,088,888	(3,446,680)
Federal Funds	(367,586)	118,623,094	234,086			234,086	118,857,180	(2,254,274)
Special Funds	(652,444)	32,523,987	53,704	1,000,000	3,453,333	4,507,037	37,031,024	16,171,624
Total	(1,908,873)	195,935,289	588,470	1,000,000	3,453,333	5,041,803	200,977,092	10,470,670
FTE	(5.0)	376.0	0.0	0.0	1.0	1.0	377.0	12.0

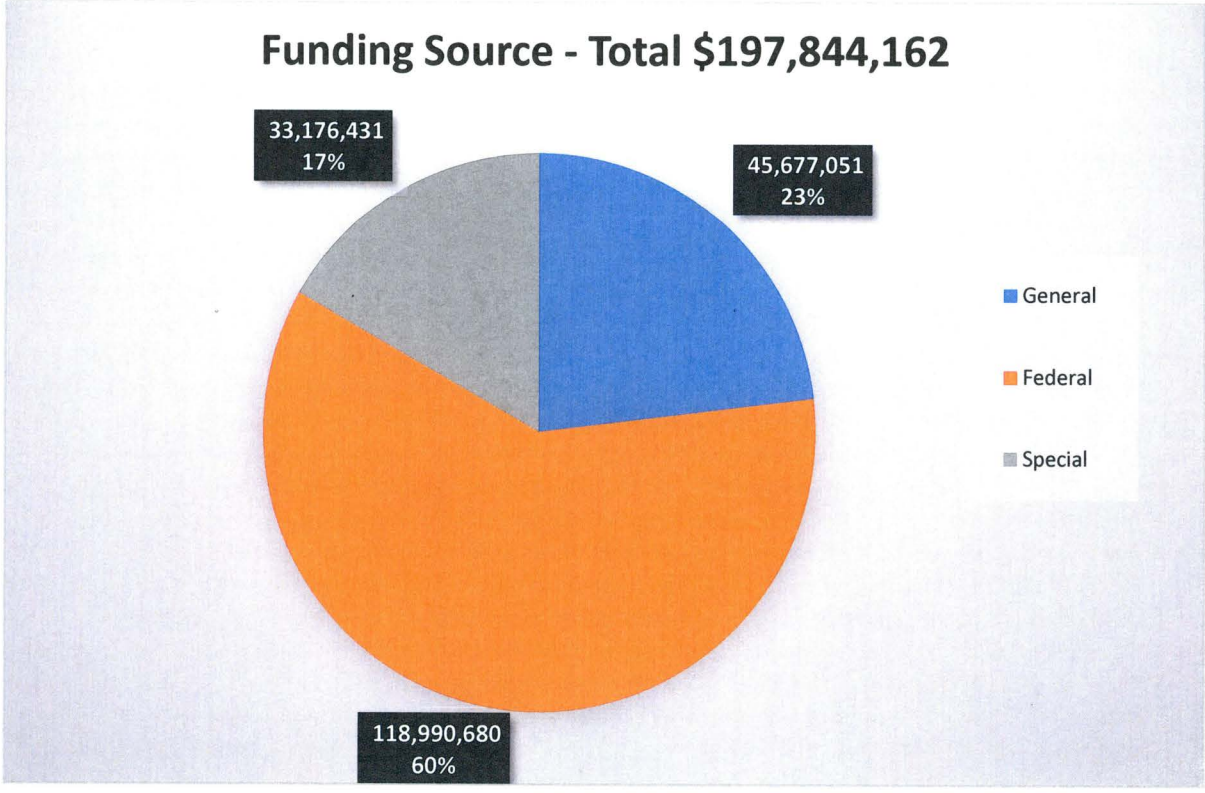
 # - Tobacco Prevention and Control Trust Fund

Attachment G

North Dakota Department of Health

Governor Dalrymple - Recommended Budget

2017-19 Biennium

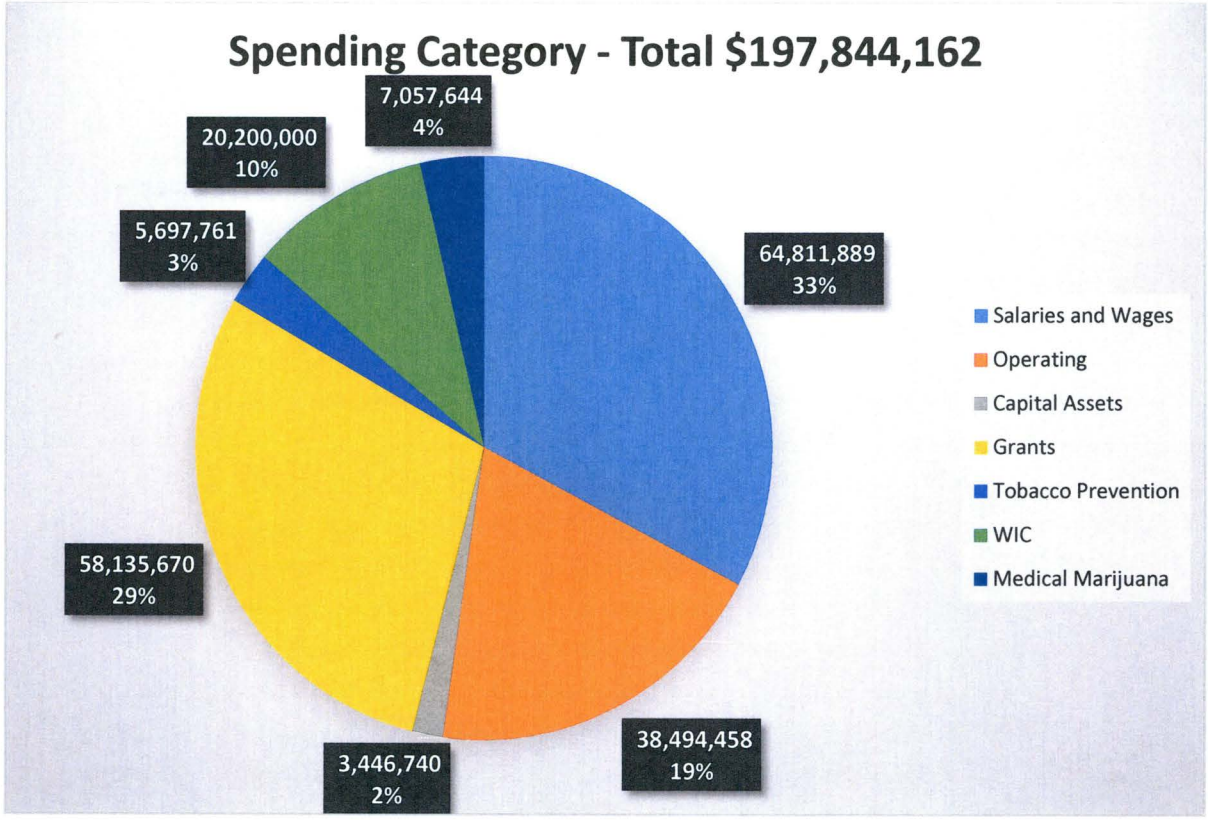


Attachment H

North Dakota Department of Health

Governor Dalrymple - Recommended Budget

2017-19 Biennium

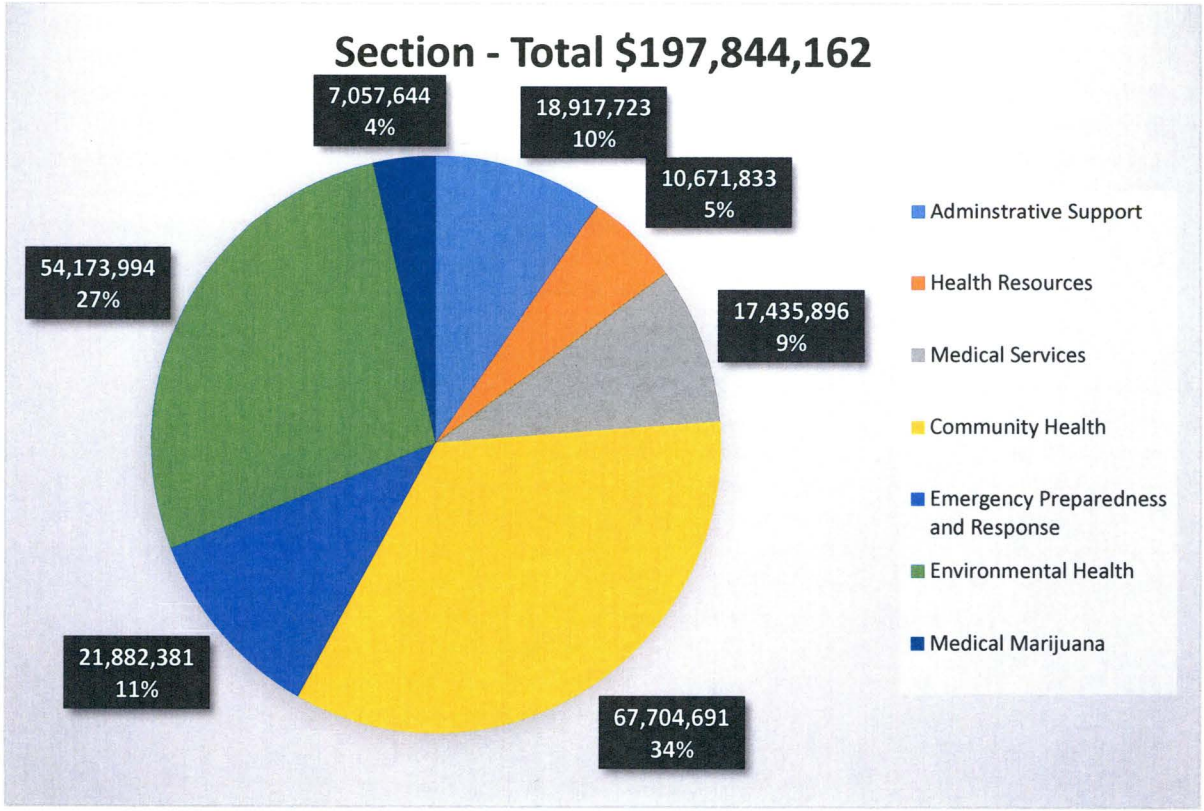


Attachment I

North Dakota Department of Health

Governor Dalrymple - Recommended Budget

2017-19 Biennium

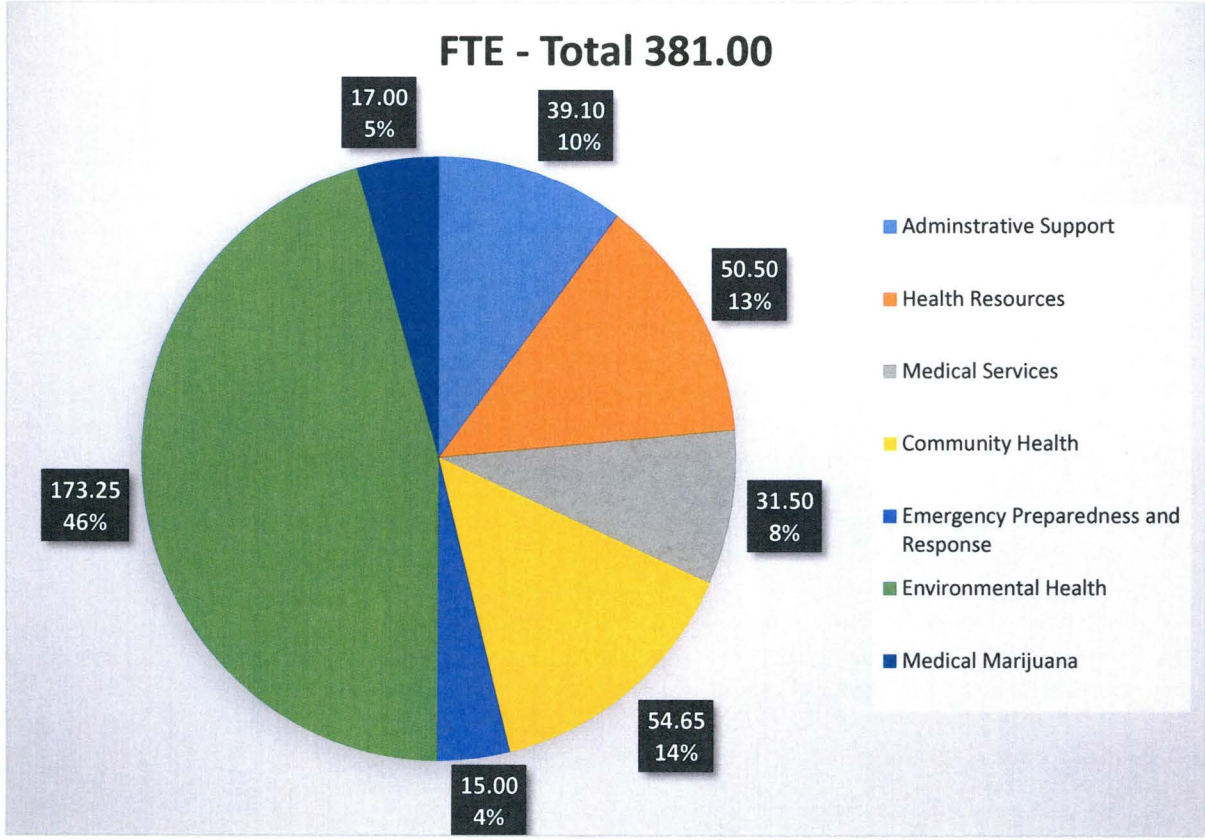


Attachment J

North Dakota Department of Health

Governor Dalrymple - Recommended Budget

2017-19 Biennium



SB2004
03.06.2017
#1

State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				Senate Version				Senate Changes to Revised Executive Budget Increase (Decrease)			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611				$0
Salary increase - Performance				***0***				0				0
Health insurance increase		588,283	549,367	1,137,650		588,283	549,367	1,137,650				0
Employee portion of health insurance		***(300,680)***	***(287,790)***	***(588,470)***				0		300,680	287,790	588,470
Removes 1 FTE position from the Environmental Health Division	***(1.00)***	***(111,233)***	***(27,808)***	***(139,041)***	(1.00)	(111,233)	(27,808)	(139,041)				0
Removes 4 FTE positions from the Medical Marijuana Division	***(4.00)***	***(149,786)***	***(374,492)***	***(524,278)***	(4.00)	(149,786)	(374,492)	(524,278)				0
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391				0
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)				0
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)				0
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			***(100,000)***	***(100,000)***			(100,000)	(100,000)				0
Reduces funding for operating expenses and system costs related to the Medical Marijuana Division		***(188,000)***	***(100,000)***	***(288,000)***		(188,000)	(100,000)	(288,000)				0
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)				0
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)				0
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412				0
Adjusts funding source for grants to local public health units		(1,000,000)	1,000,000	0		(1,000,000)	2,000,000	1,000,000			1,000,000	1,000,000
Increases funding for grants to local public health units			3,000,000	3,000,000				0			(3,000,000)	(3,000,000)
Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control				0	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333
Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0				0

Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0				0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0				0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0				0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0				0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)				0
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)				0
Adds funding and FTE positions for Medical Marijuana Division	17.00	2,000,000	3,802,097	5,802,097	17.00	2,000,000	3,802,097	5,802,097				0
Total ongoing funding changes	11.00	($3,747,360)	$6,239,104	$2,491,744	12.00	($3,446,680)	$10,980,227	$7,533,547	1.00	$300,680	$4,741,123	$5,041,803
One-time funding items												
Adds women, infants and children program project			$1,739,220	$1,739,220			1,739,220	1,739,220			0	0
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			1,197,903	1,197,903			0	0
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$0	$0
Total Changes to Base Level Funding	11.00	($3,747,360)	$9,176,227	$5,428,867	12.00	($3,446,680)	$13,917,350	$10,470,670	1.00	$300,680	$4,741,123	$5,041,803
2017-19 Total Funding	376.00	$44,788,208	$151,147,081	$195,935,289	377.00	$45,088,888	$155,888,204	$200,977,092	1.00	$300,680	$4,741,123	$5,041,803
										0.7%	3.1%	2.6%

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Environment and rangeland protection fund	Section 3 authorizes the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.
Insurance tax distribution fund	Section 4 provides $1.25 million from the insurance tax distribution fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, the department's base budget includes $1.25 million from the insurance tax distribution fund for rural emergency medical services grants.	Adds a section to provide $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.

Other Sections in State Department of Health - Budget No. 301

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)	Senate Version
Strategic investment and improvements fund	Section 5 provides $500,000 from the strategic investment and improvements fund to the State Department of Health for the 2017-19 biennium. The section does not identify the purpose; however, Governor Dalrymple's budget address indicated the executive recommendation includes $500,000 from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund.	Adds a section to provide $500,000 from the strategic investment and improvements fund to the State Department of Health from the strategic investment and improvements fund for the Environmental Protection Agency lawsuit, instead of the general fund, during the 2017-19 biennium.
Student loan trust fund		Adds a section to provide $360,000 from the student loan trust fund for the dental loan repayment program.
Tobacco prevention and control trust fund		Adds a section to provide $11,098,195 from the tobacco prevention and control trust fund for tobacco prevention and related health programs.
Amend Chapter 23-38 of the NDCC related the community health grant program		Adds a section to repeal Chapter 23-38 of the NDCC related to the community health grant program.
Amend Subsection 1 of Section 54-27-25 of the NDCC related the tobacco settlement trust fund		Adds a section amend Subsection 1 of Section 54-27-25 of the NDCC to remove the restriction requiring 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.
Emergency	Section 6 provides the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Adds a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.

SB2004
03.06.2017
#2

Oilfield Impacts and the North Dakota Department of Health Environmental Health Section

October 2016

Environmental Health Section
North Dakota Department of Health
918 East Divide Avenue
Bismarck, North Dakota

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Oilfield Impacts and the North Dakota Department of Health Environmental Health Section

I. Background

The Environmental Health Section of the North Dakota Department of Health (NDDoH) is responsible for safeguarding North Dakota's air, land and water resources. The section, which has 174 employees, works closely with local, state and federal entities to address public and environmental health concerns and implement protection policies and programs. The section has a Chief's Office and five divisions: Air Quality, Laboratory Services, Municipal Facilities, Waste Management and Water Quality.

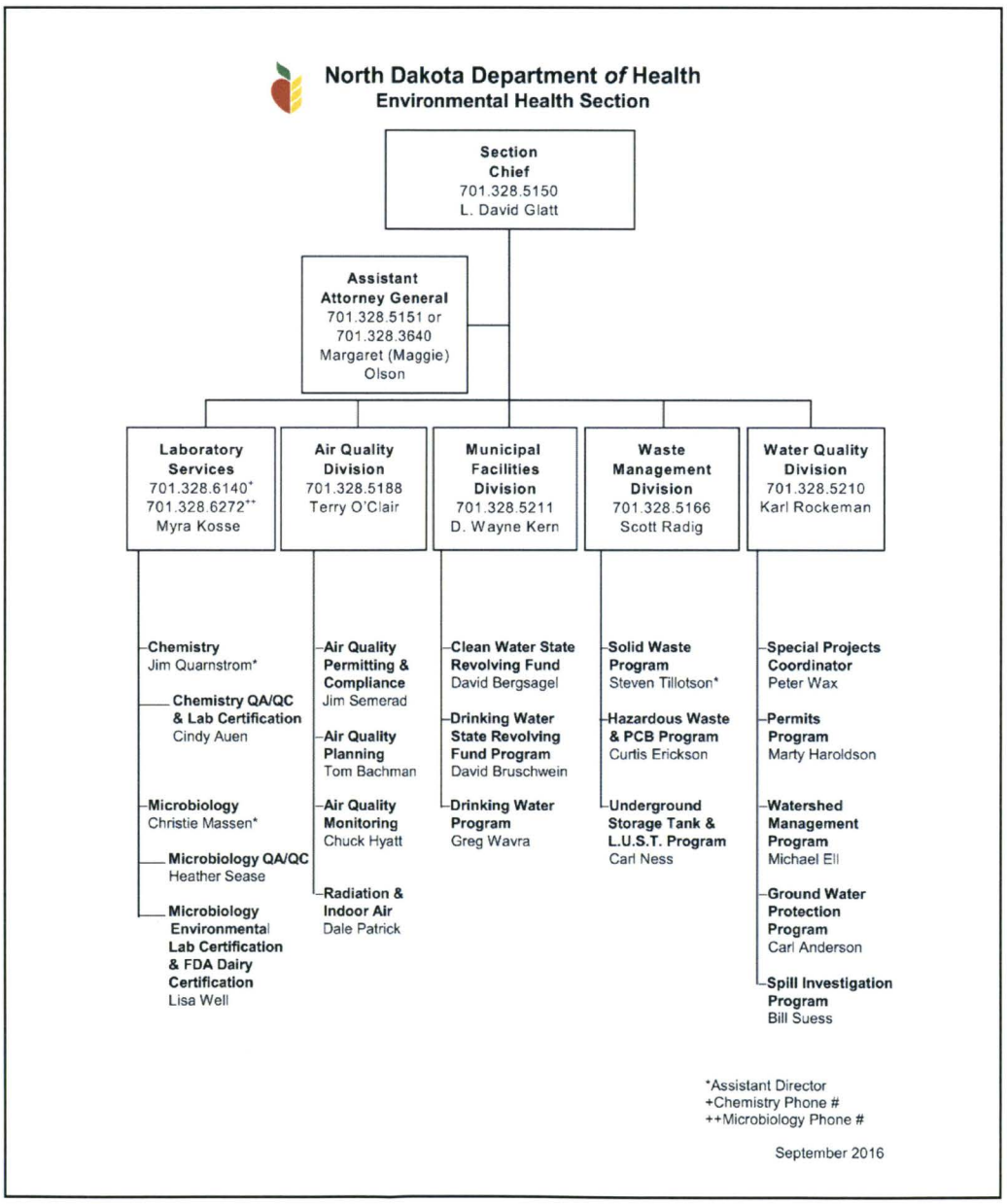


Figure 1. Environmental Health Section Organizational Chart

A. Division of Air Quality

The Division of Air Quality consists of two major programs with 36 full-time positions and one half-time position. There are 23.5 environmental scientist positions, one environmental sciences administrator, and six environmental engineers which all require the minimum of a four-year degree. In addition, there are three electronic technicians and one data processing coordinator who have two-year technical degrees, and two administrative support staff.

Air Pollution Control Program

This program promotes clean air activities, conducts compliance activities and initiates enforcement actions to correct air pollution problems. Program staff responsibilities include implementing the Clean Air Act, evaluating permit applications, conducting computer modeling of potential impacts to air quality, issuing permits that restrict emission levels to ensure standards are met and operating an ambient air quality monitoring network.

Radiation Control and Indoor Air Quality Program

This program performs two major functions: (1) regulating the development and use of ionizing and non-ionizing radiation sources to protect North Dakotans and the environment, and (2) evaluating and mitigating asbestos, radon, lead and other indoor air quality concerns, as well as implementing a public awareness and education program concerning these health risks.

Field activities supporting the above programs include inspecting facilities to ensure compliance, enforcing laws, investigating air pollution complaints and operating a statewide ambient air quality monitoring network.

B. Division of Laboratory Services

The Division of Laboratory Services has two principal support programs. There are 35 full-time employees. Twenty-six are professional microbiologists or chemist positions requiring the minimum of a four-year degree, and nine are support staff, including four medical laboratory technicians and two chemistry laboratory technicians who have two-year degrees.

Chemistry

The chemistry laboratory provides analytical chemistry data to environmental protection, public health, agricultural and petroleum regulatory programs in the state. The laboratory also maintains a certification program for North Dakota laboratories that provide environmental testing services. The department's environmental protection programs use laboratory data to monitor and/or regulate air quality; solid and hazardous waste; municipal wastewater; agricultural runoff; surface, ground and drinking water quality; petroleum products; and other media of environmental or public health concern.

Microbiology

The microbiology laboratory (i.e., the public health laboratory) performs testing in the areas of bacteriology, mycology, parasitology, immunology, virology, molecular diagnostics, bioterrorism response, and dairy and water bacteriology. The laboratory is responsible for providing rapid, accurate detection and identifying organisms that may threaten public health.

C. Division of Municipal Facilities

The Division of Municipal Facilities administers three programs. There are 31 full-time employees. Fifteen are environmental scientists, and 13 are environmental engineers requiring the minimum of a four-year degree. There is one grants/contract officer position, which also requires a four-year degree, and two administrative support personnel.

Public Water Supply Supervision (PWSS)

This program works with the public water systems (PWS) in North Dakota (currently 571) to ensure drinking water meets all standards established by the Safe Drinking Water Act (SDWA). This is accomplished by monitoring drinking water quality and providing technical assistance. Currently, 96.8 percent of community water systems are meeting all applicable health-based standards under the SDWA – one of the highest compliance rates in the region and country (EPA goal for 2015 is 92 percent nationwide).

Training and certification is provided for operators of water treatment and distribution facilities and wastewater collection and treatment plants. There are about 1,141 certified operators in the state. A total of 93 percent of public water systems are meeting operator certification requirements for water treatment (no EPA goal). There are 79 percent of community water systems meeting operator certification requirements for water distribution (no EPA goal).

Staff administer the fluoridation program and provide technical assistance to private systems. A total of 68 communities add fluoride to their drinking water. Of the population served by these communities, 95 percent (about 619,054) receive optimally fluoridated drinking water (no EPA goal).

Drinking Water State Revolving Loan Fund (DWSRF)

This program provides low-interest loans to help public water systems finance the infrastructure needed to comply with the SDWA. Since program inception (1997) through December 31, 2015, loans totaling about $424 million have been approved. Staff members also review drinking water projects to ensure compliance with state design criteria before construction and provide technical assistance.

Clean Water State Revolving Loan Fund (CWSRF)

This program provides low-interest loans to fund conventional wastewater and nonpoint source pollution control needs. Since program inception (1990) through December 31, 2015, loans totaling about $825 million have been approved. Staff members also review wastewater projects to ensure compliance with state design criteria before construction and provide technical assistance.

Field activities supporting the above programs include: (1) inspecting about 606 public water and wastewater systems to ensure compliance with all public health standards, (2) inspecting State Revolving Loan Fund construction projects to ensure they meet state and federal requirements, and (3) investigating complaints.

D. Division of Waste Management

The Division of Waste Management works to safeguard public health through four programs. There are 25 full-time positions and one half-time position, consisting of 15.5 environmental scientist positions, five environmental engineers, one environmental sciences administrator, the division director (all of which require the minimum of a four-year degree), and three administrative support staff.

Hazardous Waste Program
This program regulates 760 facilities that generate, store, treat, dispose or transport hazardous waste. The program also coordinates assessments and cleanups at Brownfield sites (properties underdeveloped due to actual/perceived contamination) and performs inspections at sites known or suspected to have equipment containing polychlorinated biphenyls (PCBs).

Solid Waste Program
This program regulates the collection, transportation, storage and disposal of nonhazardous solid waste. Resource recovery, waste reduction and recycling are promoted. The program helps individuals, businesses and communities provide efficient, environmentally acceptable waste management systems. There are 448 facilities under this program and about 880 permitted waste transport companies.

Underground Storage Tank Program
This program regulates petroleum and hazardous substance storage tanks, establishes technical standards for the installation and operation of underground tanks, maintains a tank notification program, establishes financial responsibility requirements for tank owners and provides for state inspection and enforcement. The program works with retailers and manufacturers to ensure specifications and standards for petroleum and antifreeze are met. There are 935 facilities currently regulated under this program. In addition, the UST Program supervises the cleanup of any leaking underground storage tank facility and other petroleum product releases.

Abandoned Motor Vehicle Program
The Abandoned Motor Vehicle Program focuses on assisting political subdivisions in the cleanup of abandoned motor vehicles and scrap metal.

Field activities supporting the above programs includes compliance assistance, sampling, training, site inspections and complaint investigations.

E. Division of Water Quality
The Division of Water Quality protects water quality through five programs. There are 38 full-time positions, consisting of 29 environmental scientists, four environmental sciences administrators, four environmental engineers (all of which require the minimum of a four-year degree) and one administrative assistant.

North Dakota Pollutant Discharge Elimination System (NDPDES) Permit Program
This program issues the federally required National Pollutant Discharge Elimination System (NPDES) permits for discharge of pollutants to surface waters. This may include pollutants carried by stormwater, in addition to direct discharge of wastewater. Many industries and municipalities require these permits. This program also issues permits to septic tank pumpers regulating the collection and proper disposal of domestic wastewater. The permits may be individual permits issued to one facility or general permits where multiple facilities are covered under one permit.

Watershed Management Program
This program monitors the health of North Dakota watersheds through sampling and analysis of water quality and aquatic life in lakes, rivers, streams and reservoirs. For those water bodies that are not usable for their designated use, plans are developed to achieve improvements in water quality. These

plans are implemented in conjunction with the local conservation districts and landowners. This program also provides cost share assistance, information and education to help meet water quality goals.

Ground Water Protection Program

This program includes the (1) Wellhead and Source Water Protection Programs to define the susceptibility of public water systems to contaminant sources, (2) Underground Injection Control (UIC) Program which helps prevent contamination of drinking water by injection wells, and (3) Ambient Ground Water Monitoring Program which assesses the quality of ground water resources with regard to agricultural and oilfield-related chemical contamination. In addition, trained personnel provide immediate response to emergency spills and continued investigation/enforcement if necessary to fully address environmental impacts. Program staff also fulfills open records requests typically received as part of property transactions or as Freedom of Information Act requests from the general public.

Spill Investigation Program

This program receives and reviews all the spill reports for the state, and responds with the assistance of other EHS divisions and other agencies. The response may include the collection of additional information, assignment to other agencies, field inspection and on-scene coordination. Staff with this program collects environmental samples of soil and water, and work with the responsible party to ensure spills are remediated and waters of the state, both ground and surface water, are protected. To provide a timely response to a critical incident, this program maintains two staff in the field five days a week and one staff person on call weekends and holidays. One staff person maintains phone coverage 24 hours a day, seven days a week in case of an incident. Staff members also work with various industries to help prepare for response to an incident and to educate them on proper remediation and assessment of a spill.

Field activities supporting the above programs include inspecting wastewater treatment facilities and septic tank pumpers, and compliance audits/sampling to ensure permit requirements are met; inspecting construction and industrial site stormwater controls; meetings with local/state entities to assess nonpoint source project goals; ambient monitoring of lakes and rivers; evaluating domestic water sources for potential contaminant sources; annual collection/analysis of samples from vulnerable aquifers; overseeing remediation of spills with potential to reach water sources; and responding to complaints.

F. Section Chief's Office

Division activities are coordinated by the Section Chief's Office, which has 8.25 full-time employees (FTEs) and an attorney assigned by the Office of Attorney General. Employees oversee quality assurance procedures; help coordinate public information efforts; assist with staff training; and coordinate computer and data management activities, emergency response efforts, enforcement of environmental regulations and funding requests. The Chief's Office works with the section's divisions, various government agencies, industry and the public to set environmental protection policy and ensure the proper implementation of environmental protection programs.

II. Impacts of Oilfield Activity

A. Division of Air Quality

Expanded activity in the oilfield has increased the workload in the division due to the number of licensing/permitting, inspection, enforcement and air quality complaint response activities.

The number of air pollution sources in the state has increased due to oil activity, resulting in an increase in workload (Figures 2, 3, 4 and 5). The number of oil wells registered in the state has risen from less than 2,000 to nearly 10,000 (Figure 6). Similar increases have been seen in the number of regulated crude oil storage tanks, compressor stations and gas plants.

The increase in the number of regulated air pollution sources, as well as increasing regulatory requirements/complexity, has resulted in the continued need for significant staff expertise and resources.

Figure 2. Air Quality Enforcement Actions

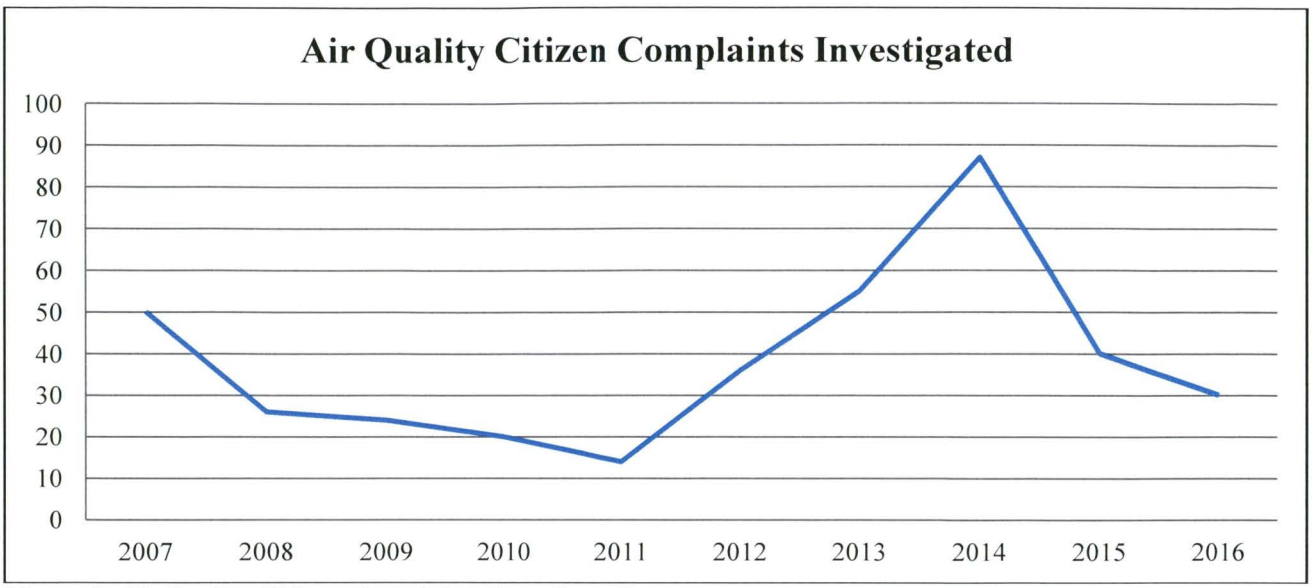


Figure 3. Air Quality Citizen Complaints Investigated

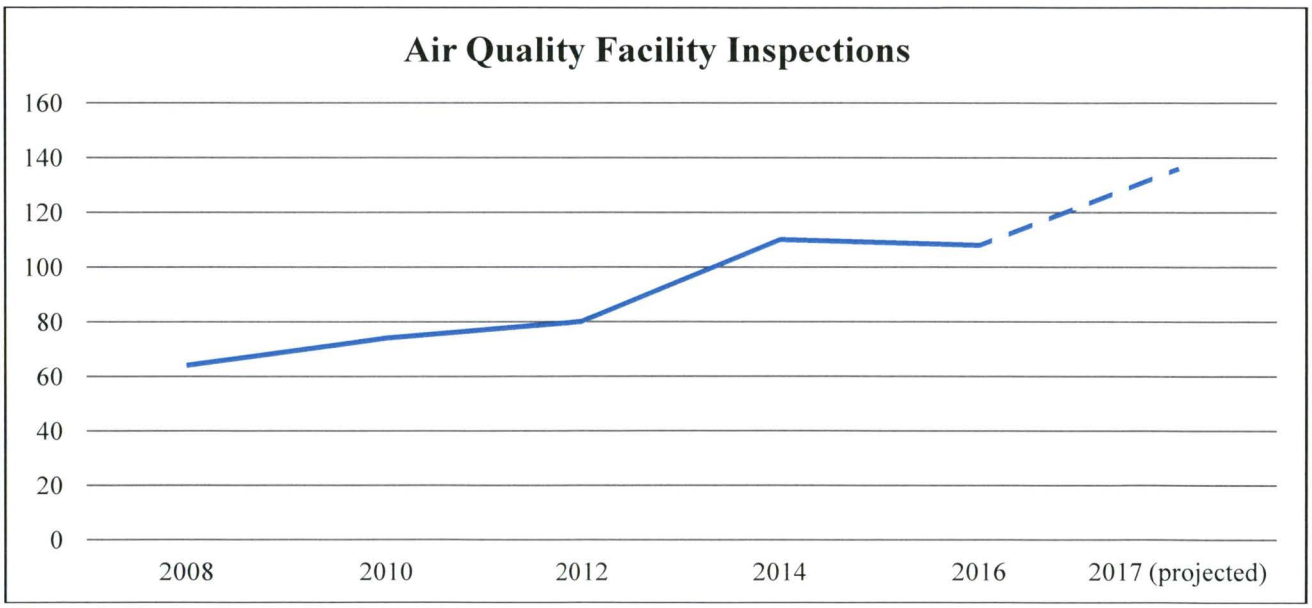


Figure 4. Air Quality Facility Inspections

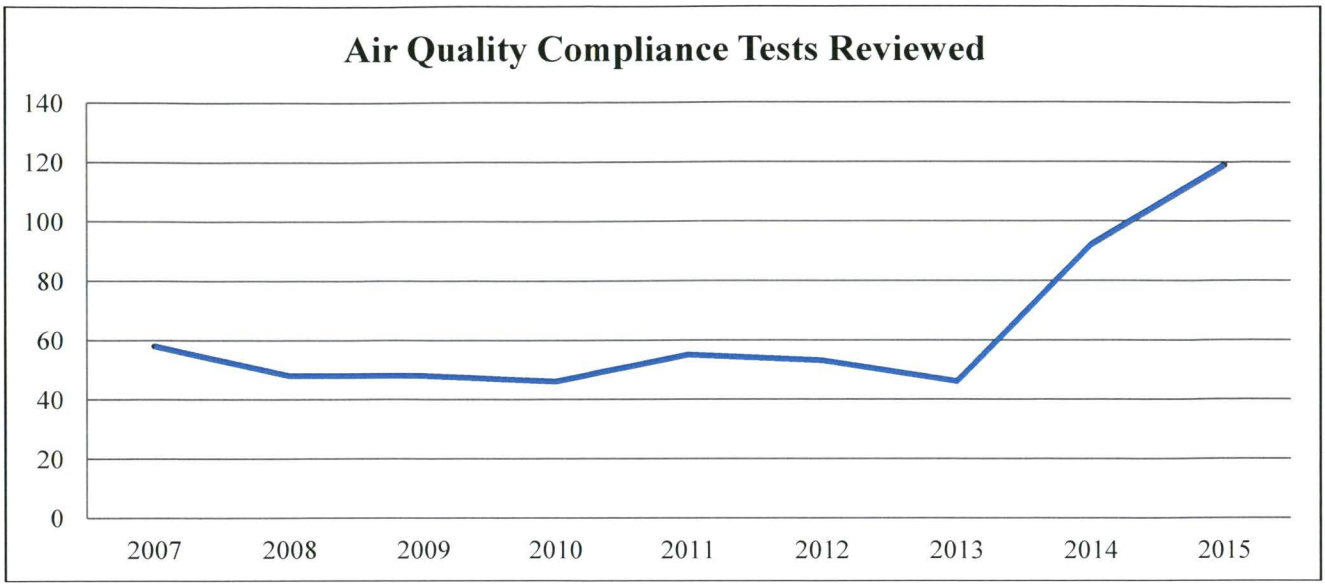


Figure 5. Air Quality Compliance Tests Reviewed

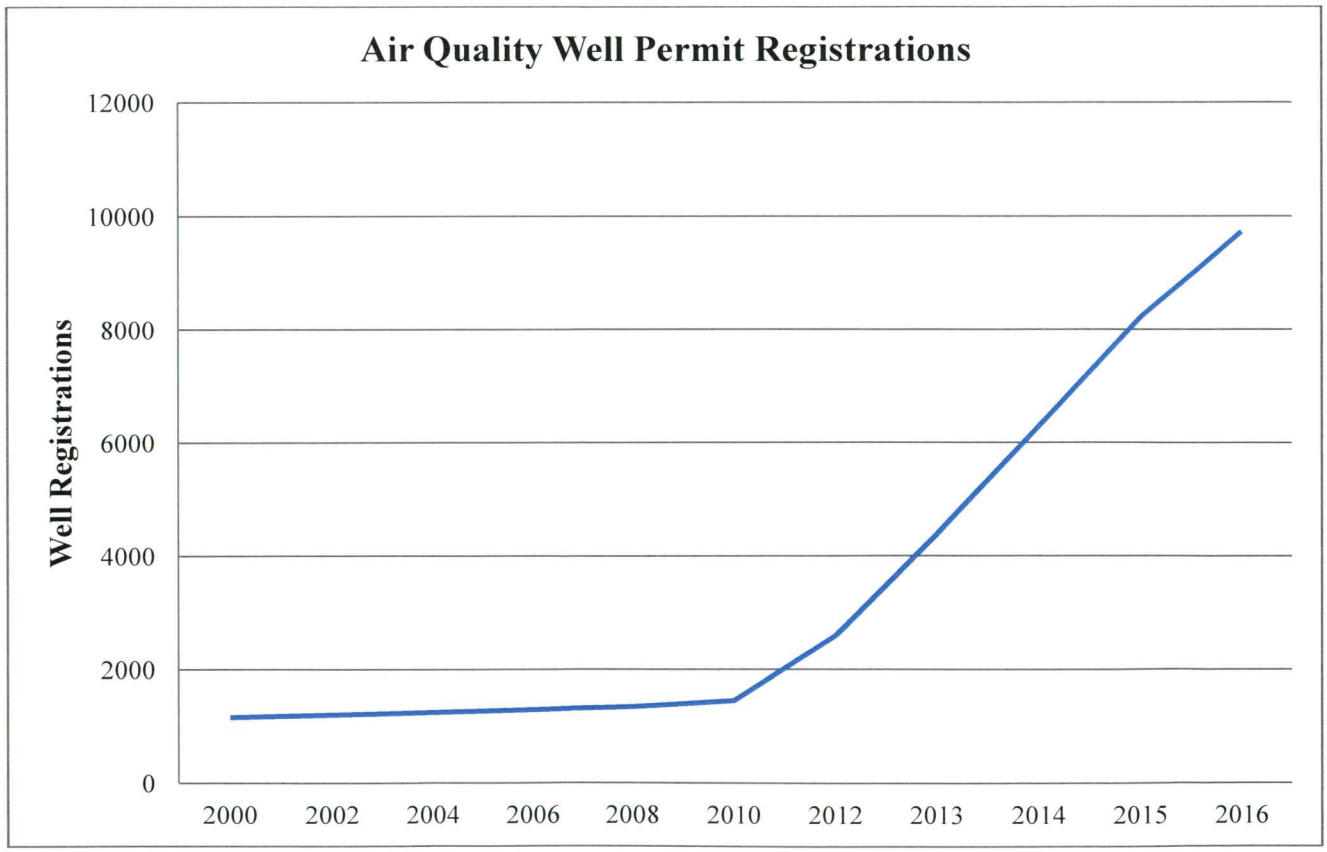


Figure 6. Air Quality Well Permit Registrations

Many companies in the oilfield use instrumentation technologies containing radioactive material, and there has been a large increase in the number of companies actively using such materials. Several operators have been identified as improperly using these materials, potentially placing members of the public and the environment at risk. In response, the NDDoH has investigated an increasing number of allegations regarding improper handling of radioactive materials.

Radioactive materials license activities have stabilized to about 200 per year since 2014 (Figure 7). This is partly due to the impact of the recent downturn in oil and gas exploration and production activities.

The NDDoH published TENORM (Technologically Enhanced, Naturally Occurring Radioactive Materials) rules, which became effective January 1, 2016. As a result, the NDDoH has increased the number of public and industry informational workshops it conducts. In addition, increased workload demands have been placed upon the division as a result of the licensure of all TENORM radioactive waste transporters, the increase in the number of facilities that treat TENORM and the increased frequency in inspections of these facilities.

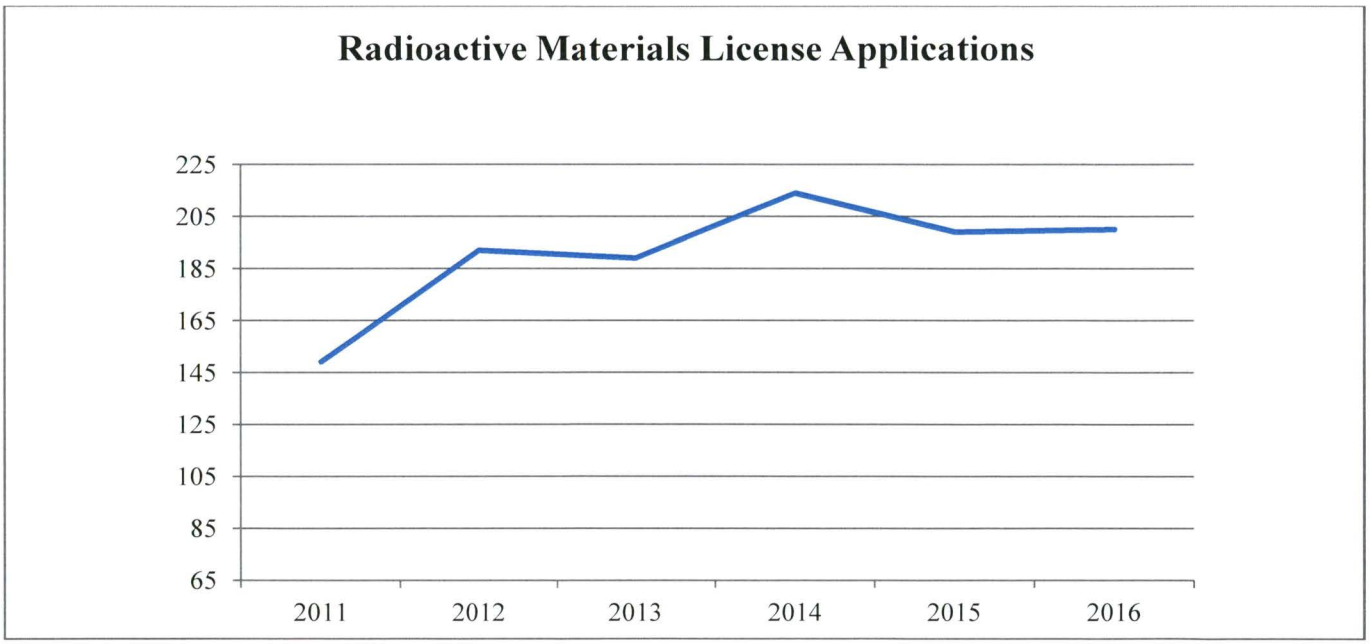


Figure 7. Radioactive Materials License Applications

Additional direct and indirect impacts on the division include:

- Expansion of the Tesoro Refinery, plus permitting work for proposed diesel refineries and a full-scale gasoline refinery.
- Increased compliance activities (inspections, testing/report reviews, etc.) relating to the new Dakota Prairie Refining diesel refinery.
- Increased permitting and compliance activities relating to gas plants, compressor stations and oil storage terminals.
- Extensive effort on Bakken Pool Permitting and Compliance Guidance Document for oil wells.
- Increased telephone and email inquiries pertaining to air pollution control requirements.

- Increased oil- and gas-related complaints and inquiries from public.
- Operating of a new Williston monitoring site to measure air quality.
- Inspections and study of radiation from frack sand and drilling mud.
- Increased permitting activity, along with increased particulate control inspections of more rock, sand and gravel plants (three times higher than in the past), due to greater demand for these materials in the oilfield.
- Road dust has become a significant source of air pollution.
- New Environmental Protection Agency regulations directed at energy development.
- Expansion of the Tioga Gas Plant

B. Division of Laboratory Services

Microbiology

Testing volumes from 2007-2015 were evaluated from oil-impacted communities in the western half of North Dakota. Communities included principal private (clinics and hospitals) and public health entities in the Dickinson, Williston, Watford City, Minot, Bismarck, Hettinger, Mott and New England areas.

The total testing volume from these communities showed a steady increase over the period 2007-2014. The volumes for 2015 decreased slightly; however, when compared to the average volumes of 2007 through 2012, the total sample volume is still significantly higher.

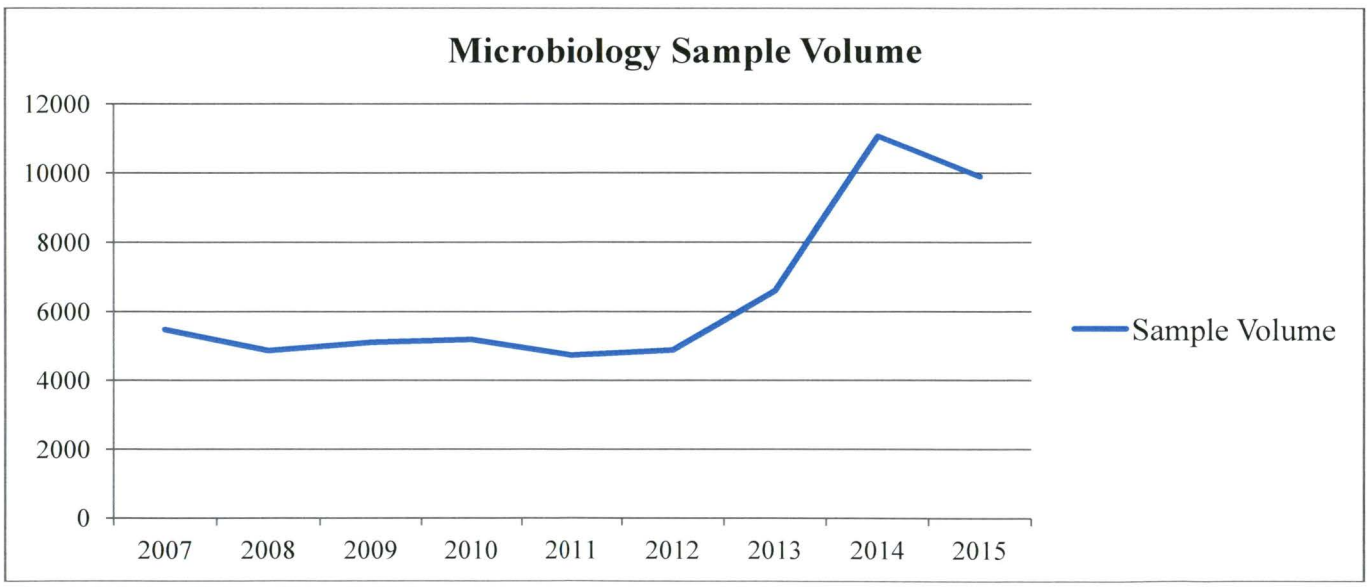


Figure 8. Microbiology Sample Volume

Chemistry

The chemicals regulated and monitored in the oil patch remain at a high level. For the 2012 through 2015 time period, about 470 samples per year were analyzed for oilfield-related parameters. That includes two major projects in 2015: the Blacktail Creek event (294 samples) and the Smishek Lake event (78 samples). Samples for 2016 are projected to be around 510.

Since July of 2015, parameters most commonly requested are complete mineral chemistry (including bromide), diesel range organics (DRO), gasoline range organics (GRO), and benzene, toluene, ethylbenzene and xylenes (BTEX).

Figure 9 depicts, if the Blacktail Creek and Smishek Lake events are excluded, the number of samples analyzed annually by the Chemistry laboratory for the 2014-2016 period has remained consistent.

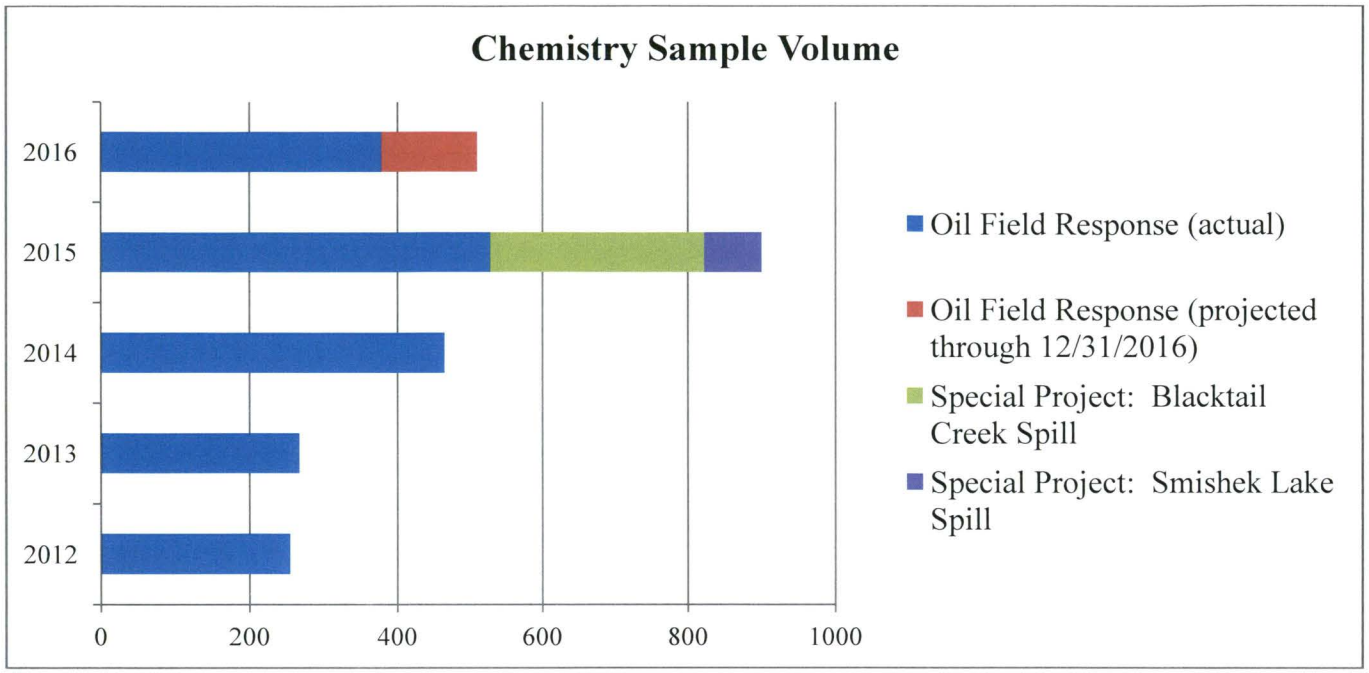


Figure 9. Chemistry Sample Volume

C. Division of Municipal Facilities

Keeping pace with the new drinking water and wastewater facilities in oil-impacted areas has been a challenge. Figure 10 shows that the total number of PWSs regulated by the division significantly increased from 2010 through 2014. It goes on to show a decrease in the number of PWSs tracked over the last year. However, the division still continues to monitor these systems to ensure that, as oil activities and PWSs become active once again, they continue to meet all SDWA requirements.

Figure 11 shows the total number of SDWA violations had been increasing since 2010. It also shows a decrease in the number of violations over the last year. This decline in the number of violations is due to smaller PWSs becoming consecutive users of larger providers, allowing them to return to compliance. The closing of others in oil-impacted counties has also had an impact on compliance rates. However, even with the decline, the long-term average is still double when compared to 2008 through 2010. Implementation of the Revised Total Coliform Rule during 2016 will further impact the division's workload and compliance rates in the future.

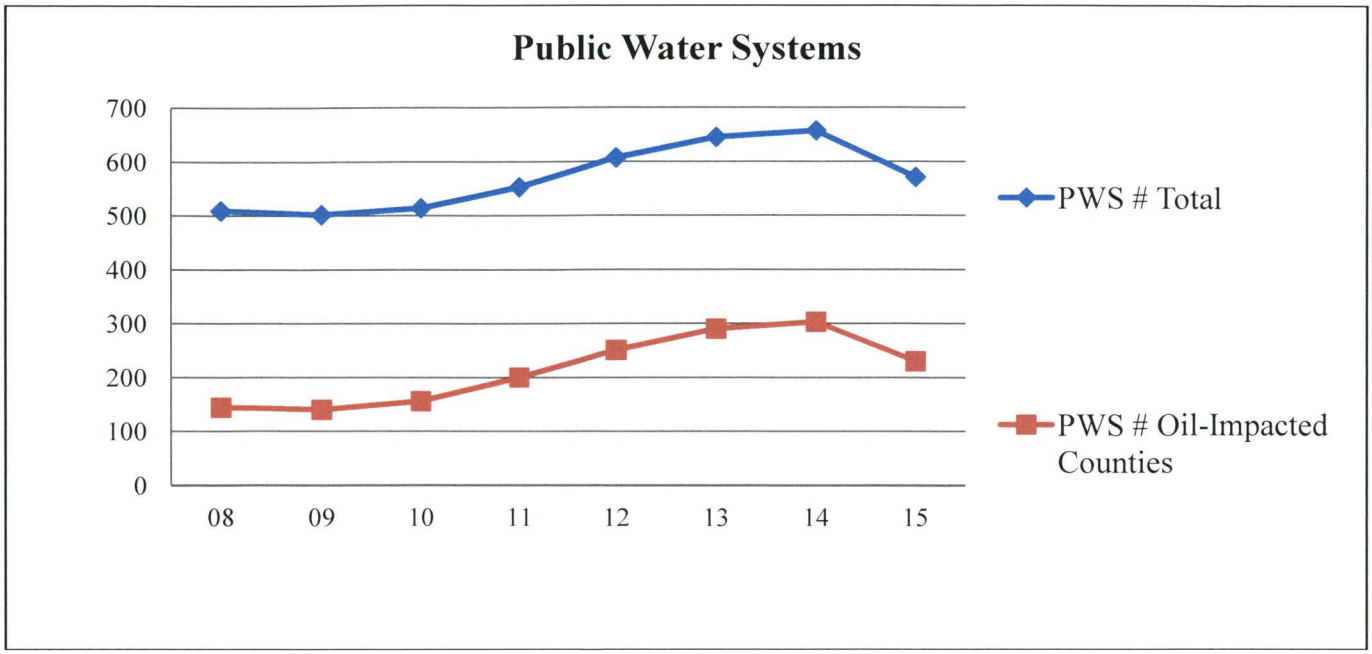


Figure 10. Public Water Systems

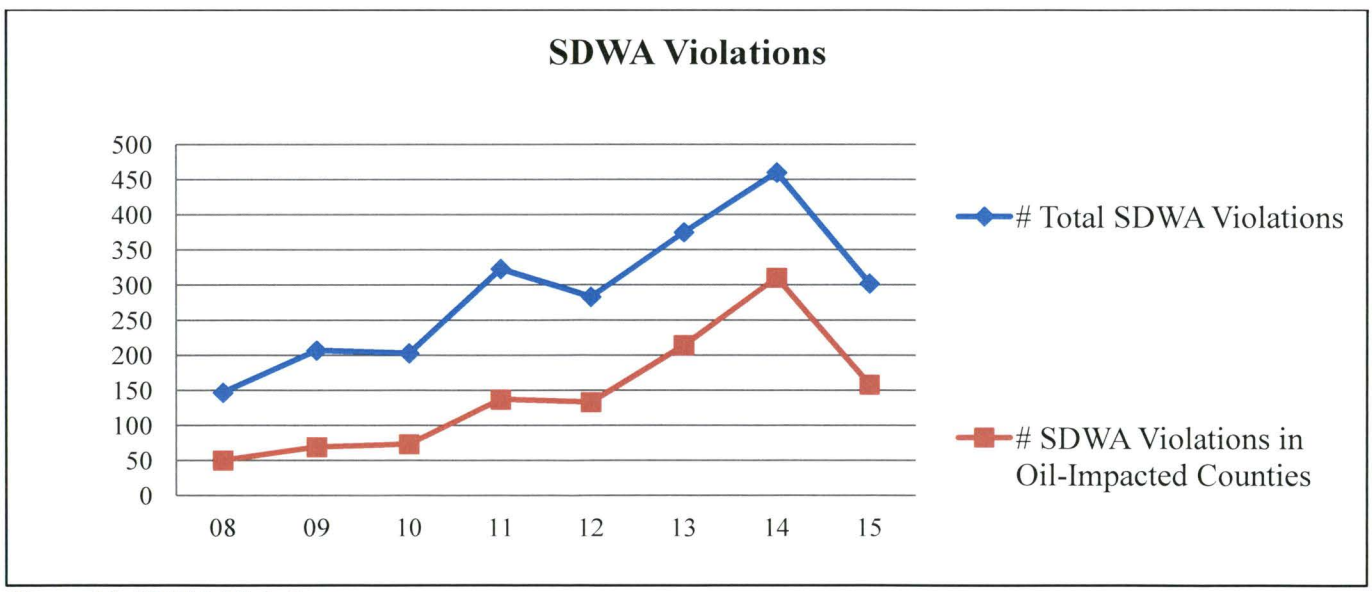


Figure 11. SDWA Violations

Under state law (North Dakota Century Code 23-26), all persons operating water and wastewater systems, with some exceptions, must be certified by the NDDoH. Figure 12 generally shows decreased numbers of water distribution operators being certified since 2011. Two principal factors have been responsible for the decrease in certification: (1) operator turnover (certified operators leaving for higher paying jobs in the oilfield); and (2) new systems that do not have a certified operator. Both of these factors still exist, but higher-paying oilfield jobs may be harder to find. Through training and site inspections, the division continues to stress the importance of having a certified operator. In oil-

impacted counties, the primary need has been for water distribution operators because most new systems obtain drinking water from other regulated sources (no treatment required) and either haul wastewater to another permitted system or provide on-site wastewater disposal. Compliance with operator certification requirements for water treatment and wastewater collection/treatment also may decrease if more systems choose to develop/treat their own drinking water sources or treat/discharge wastewater.

Figure 13 shows a large increase in plans and specifications submittals/approvals since 2010, largely due to projects in the oilfield. Project submittals decreased in 2015, but remained high and required extended review time. Many were submitted by out-of-state engineering firms (120 to date) unfamiliar with North Dakota requirements, resulting in extended review time. Many had mechanical wastewater treatment plants and/or large on-site disposal systems which require additional time for review and approval. On-site disposal systems have not historically been used or addressed by the division. Finally, many involved as-built situations which require more time to resolve design and construction issues. Considerable time also is spent: (1) evaluating and addressing noncompliant or failing wastewater systems, many of which were built and expanded without local or state approval and which have undergone numerous ownership or management changes; and (2) developing new design standards and policies to address issues primarily related to projects in the oilfield.

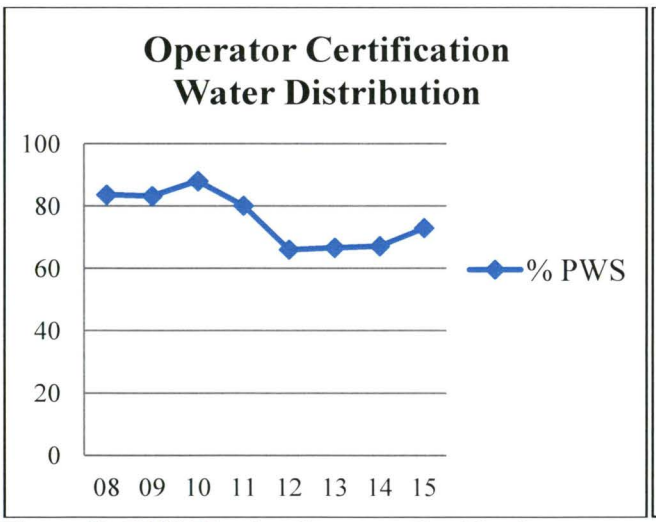


Figure 12. PWS Meeting Operator Certification Requirements (Water Distribution)

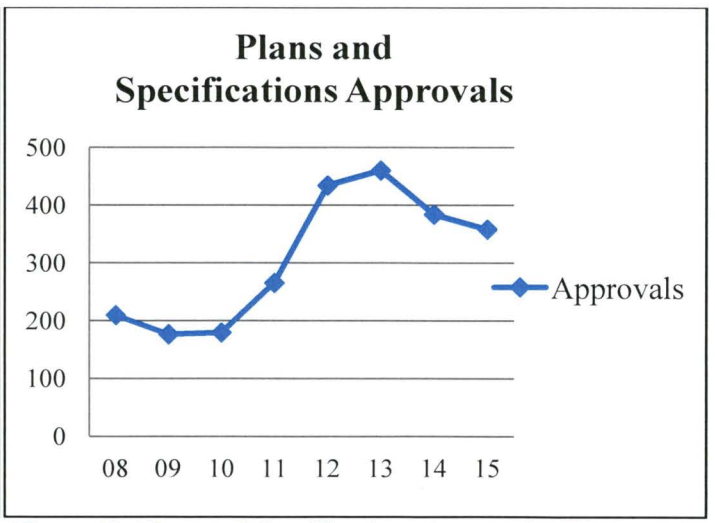


Figure 13. Plans and Specifications Approvals - Water and Wastewater Projects

Figure 14 shows the number of projects/dollar value on the CWSRF and DWSRF lists increased significantly since 2010. For 2016, the preliminary dollar value of projects is $669 million for the DWSRF and $516 million for the CWSRF. This will result in a large number of SRF projects to implement, increasing workload on top of attempting to keep pace with more technical reviews for non-SRF and oilfield projects.

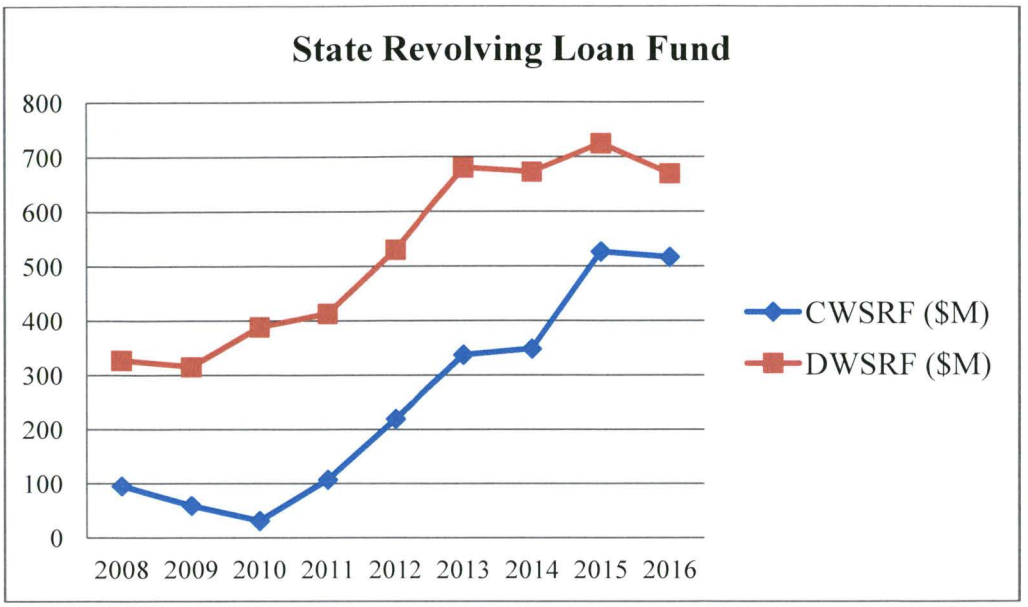


Figure 14. State Revolving Loan Fund - Total Project Amount from Intended Use Plans

Additional workload impacts to those shown in the above tables include: educating systems on SDWA requirements, implementing/enforcing the requirements, and compliance/technical assistance in addressing SDWA violations; responding to complaints; answering calls and emails about proposals for new/expanded housing facilities; addressing vendor/engineer inquiries; and attending visits and presentations on alternative wastewater treatment systems and project proposals.

D. Division of Waste Management

Oilfield activity has significantly increased the workload, from facilities directly operated by oilfield-related businesses and from peripheral businesses supporting the increasing general population. There are more oilfield service companies generating large quantities of hazardous waste and other support businesses, such as tank manufacturers generating more hazardous waste. Even with the slowdown in oil well drilling activity, the service and support companies remain active. There has been no decrease in the number of large quantity generators of hazardous waste or the overall quantity of hazardous waste generated. New gas stations and truck stops are being built or expanded. Both municipal landfills and oilfield special waste landfills are dealing with new types and greatly increased volumes of waste.

Figures 15 through 20 show the changes in hazardous waste large quantity generators (LQGs), municipal solid waste (MSW) and special waste landfills, tons of oilfield special waste, number of solid waste inspections, new or expanded underground storage tank (UST) facilities, and new waste transporter permits. The division also has three staff members on the EHS Division of Water Quality spill response team, which requires considerable field work and office follow-up. Figure 22 on page 19 of this report shows spill response numbers.

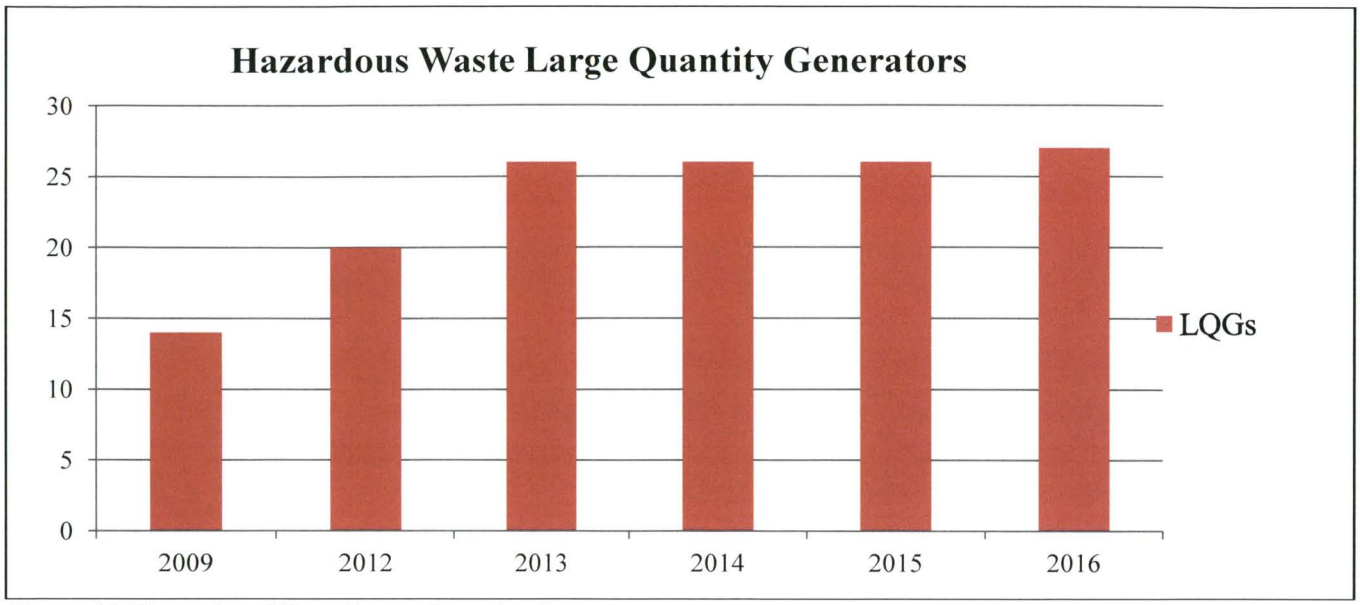


Figure 15. Hazardous Waste Large Quantity Generators

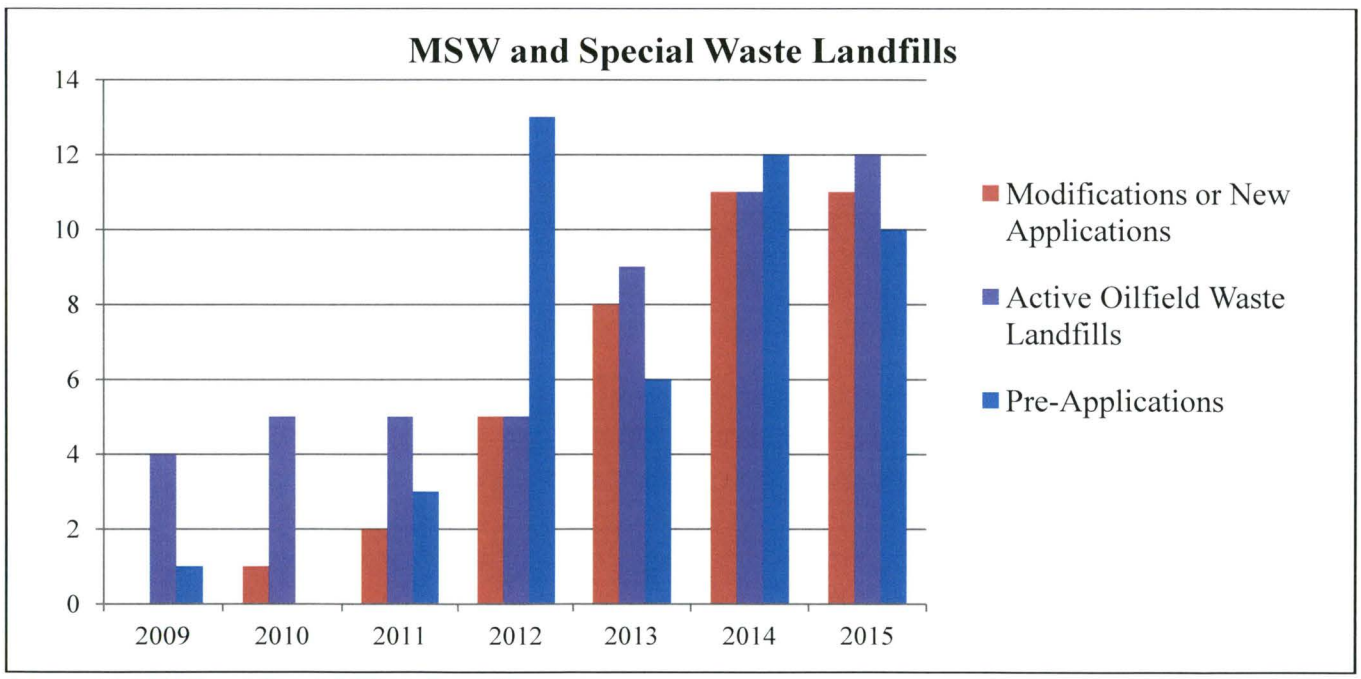


Figure 16. MSW and Special Waste Landfills

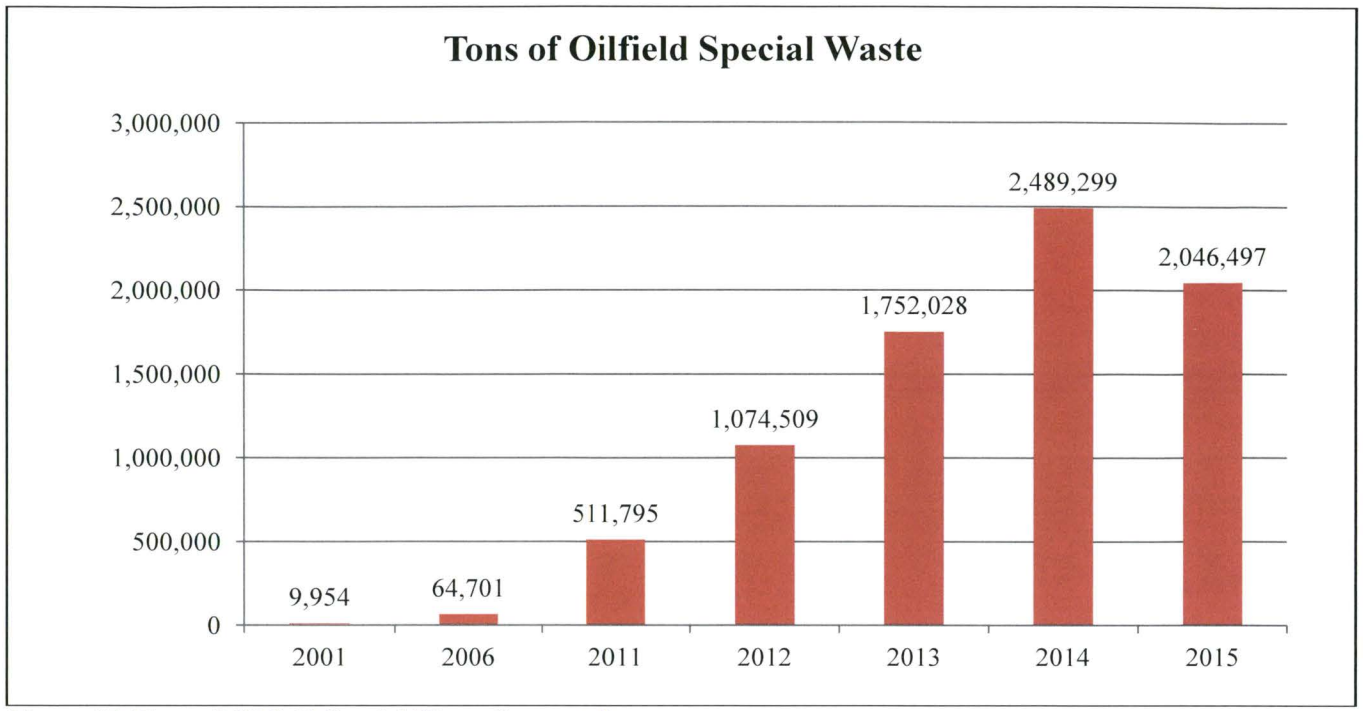


Figure 17. Tons of Oilfield Special Waste Generated

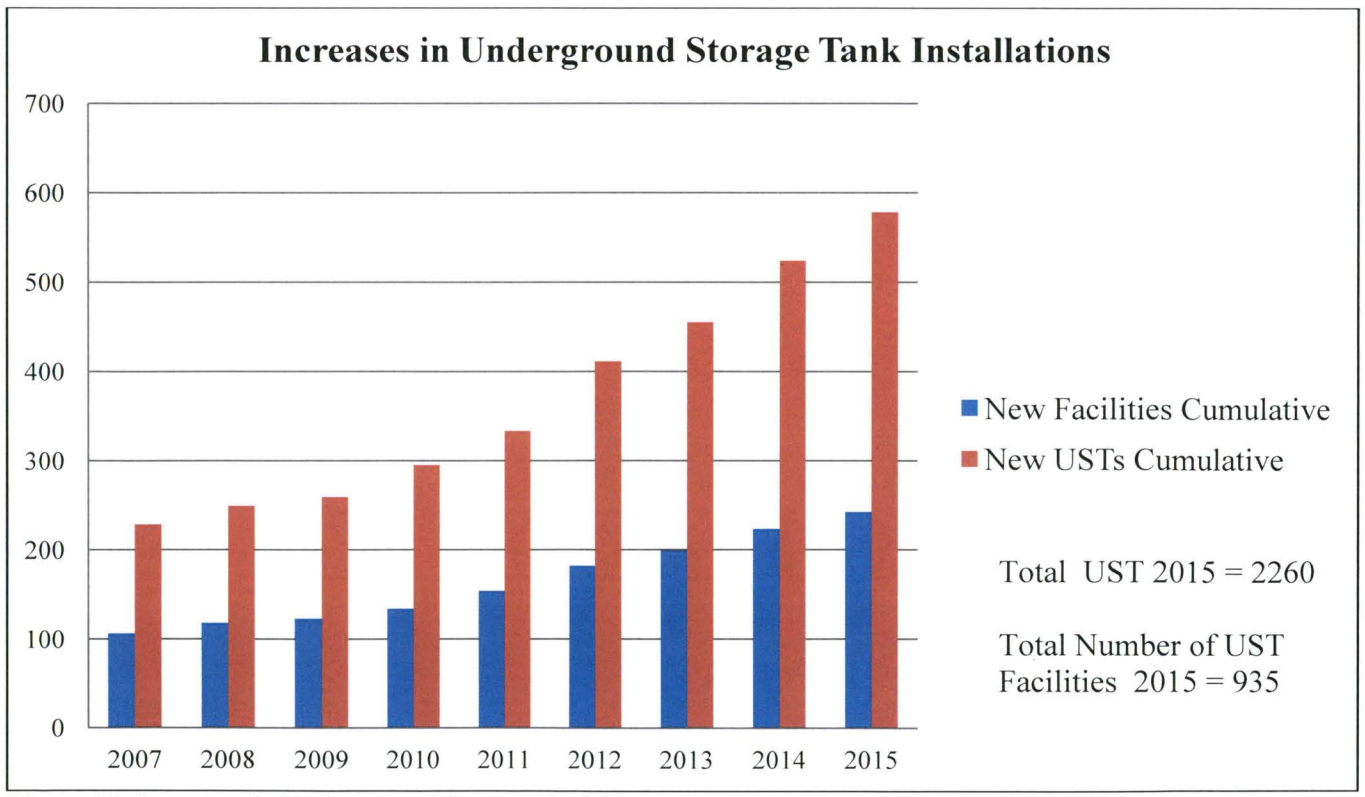


Figure 18. Increases in Underground Storage Tank Installations

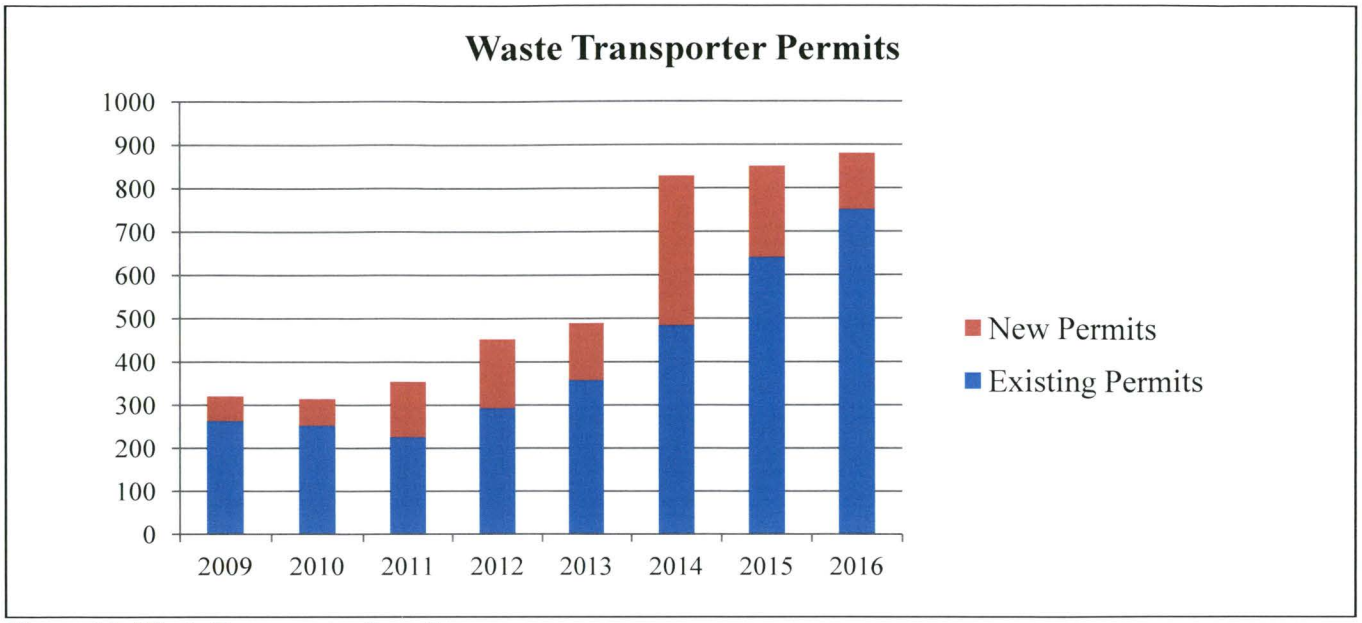


Figure 19. Waste Transporter Permits

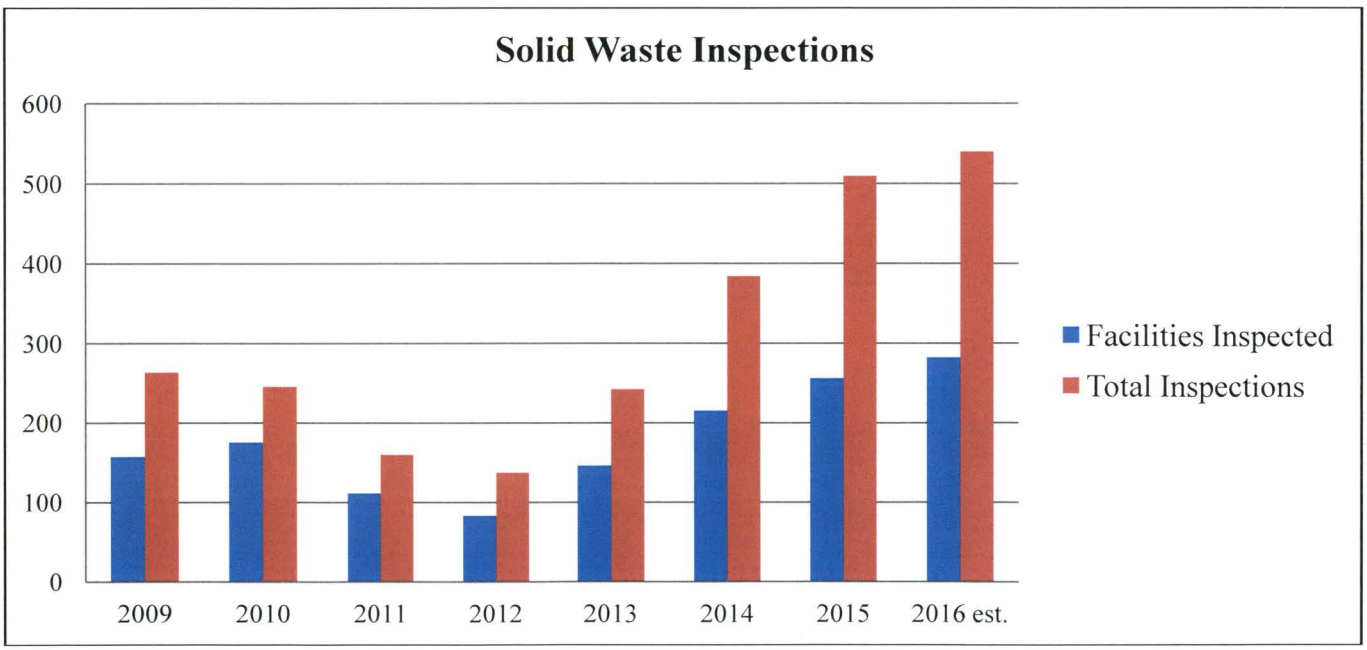


Figure 20. Solid Waste Inspections

The significant increase in the number of pre-applications and applications for new or expanding landfills, both municipal solid waste and oilfield special waste, has greatly increased the workload of the Solid Waste Program. These applications are very detailed, highly technical documents, usually more than a thousand pages in length, that require expertise in soils, hydrogeology, plant science and engineering to review. North Dakota solid waste rules have a 120-day limit in which the department is required to complete the review. However, that has been increasingly difficult to achieve due to the

volume of applications and inquiries received. At the same time, there is an increased need for inspections at the existing facilities and site visits to the new facility locations, which also takes significant staff time. This has resulted in a backlog for inspections and permits for other regulated solid waste facilities around the state. All of the programs in the Division of Waste Management have been affected by oilfield activities, but the Solid Waste Program has been affected the most.

Two new oilfield and industrial waste landfills were permitted, and two were significantly expanded in 2015. The Solid Waste Program conducted 505 inspections of 254 facilities and followed up on 154 reports of prohibited waste rejected by solid waste disposal facilities. Five pre-application reviews were completed for proposed oilfield/industrial waste landfills in 2015.

In 2016, three permits were issued, one for a new oilfield/industrial waste landfill and two for expansions of existing facilities. Permits for expansion of two MSW landfills in the west (McKenzie County and Williston) have been approved, and a pre-application for the Dickinson MSW landfill expansion was approved.

By the end of September 2016, the Solid Waste Program had conducted 356 inspections of 186 facilities and followed up on 130 reports of waste rejected by solid waste disposal facilities due to prohibited waste (including potential radioactive materials). In 2016, the division issued a contract with the Upper Missouri District Health Unit and McKenzie County for up to $100,000 from the Abandoned Auto Program Fund to address the problem of campers, trailers and mobile homes abandoned due to the decline in oilfield activity.

An entirely new issue arose during the Bakken oil boom regarding the generation and proper management of Technologically Enhanced Naturally Occurring Radioactive Material (TENORM). TENORM is low-level radioactive waste that is generated primarily in oilfield exploration and production activities. It includes materials such as filter socks, tank bottom sludge and pipe scale. Responding to illegal dumping and improper management incidents has taken considerable staff time, as TENORM is a major concern of the public. The division is overseeing rejected waste loads at landfills and the cleanup of illegal dump sites, although the number of incidents has decreased since implementation of requirements for TENORM waste containers on all well sites. The division worked with Argonne National Laboratory to study the risks to oilfield workers and the general public. New administrative rules regarding the proper handling, recordkeeping, reporting and disposal of TENORM have been approved and are being implemented. Three landfill applications for managing TENORM have been received for review.

E. Division of Water Quality

Spill Investigation Program

This program is primarily responsible for responding to spills with the potential to impact waters of the state and following up on appropriate remediation. The program handles two different types of spills: oilfield and non-oilfield related. Of the spills that have been reported since July 1, 2015, there are currently less than 20 oilfield-related spills and less than 20 non-oilfield related spills awaiting initial inspection. Between July 1, 2015 and September 27, 2016, the program reviewed 1,967 total spills and has responded to 810, assigning the rest to other agencies. Of the 810 spills inspected, there are 371 that need additional on-site follow-up. Spills with the greatest potential to adversely impact the environment are evaluated as soon as possible. As the number of oil and gas facilities increase, the potential for the

number of spills is expected to increase as well. Figures 20 and 21 illustrate the change in number of spills reported and the response by staff for each calendar year.

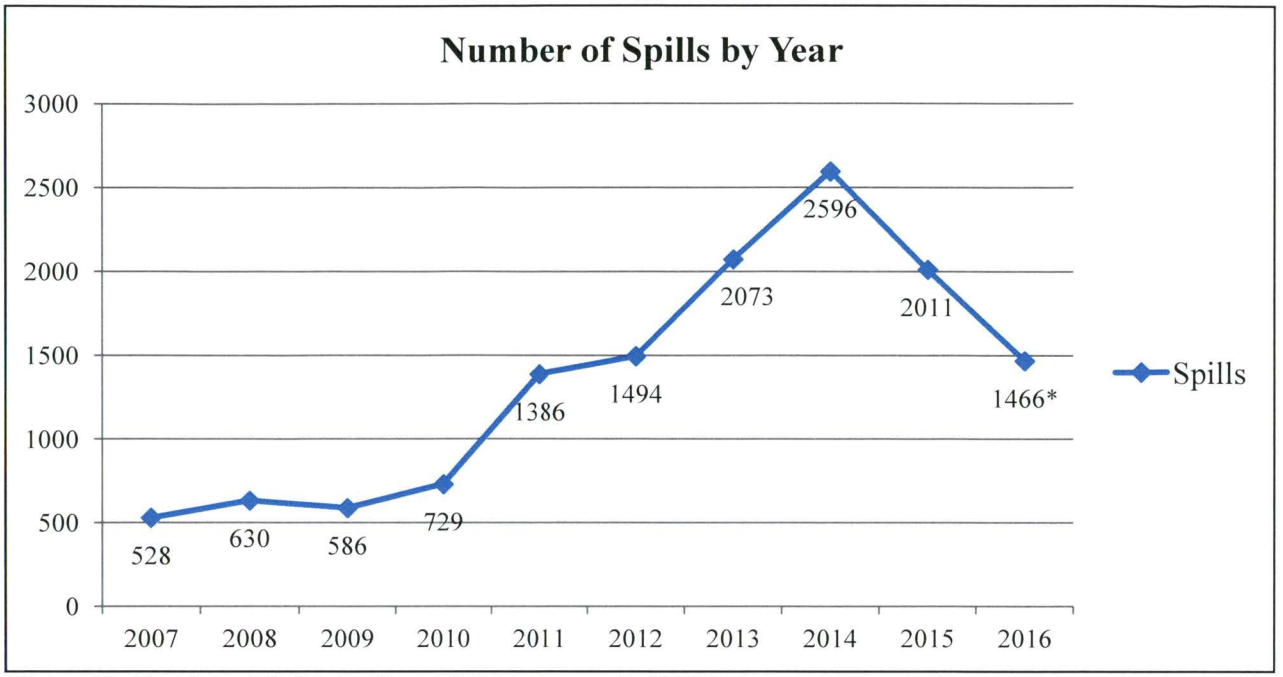


Figure 21. Number of Spills by Year *Estimate at end of 2016

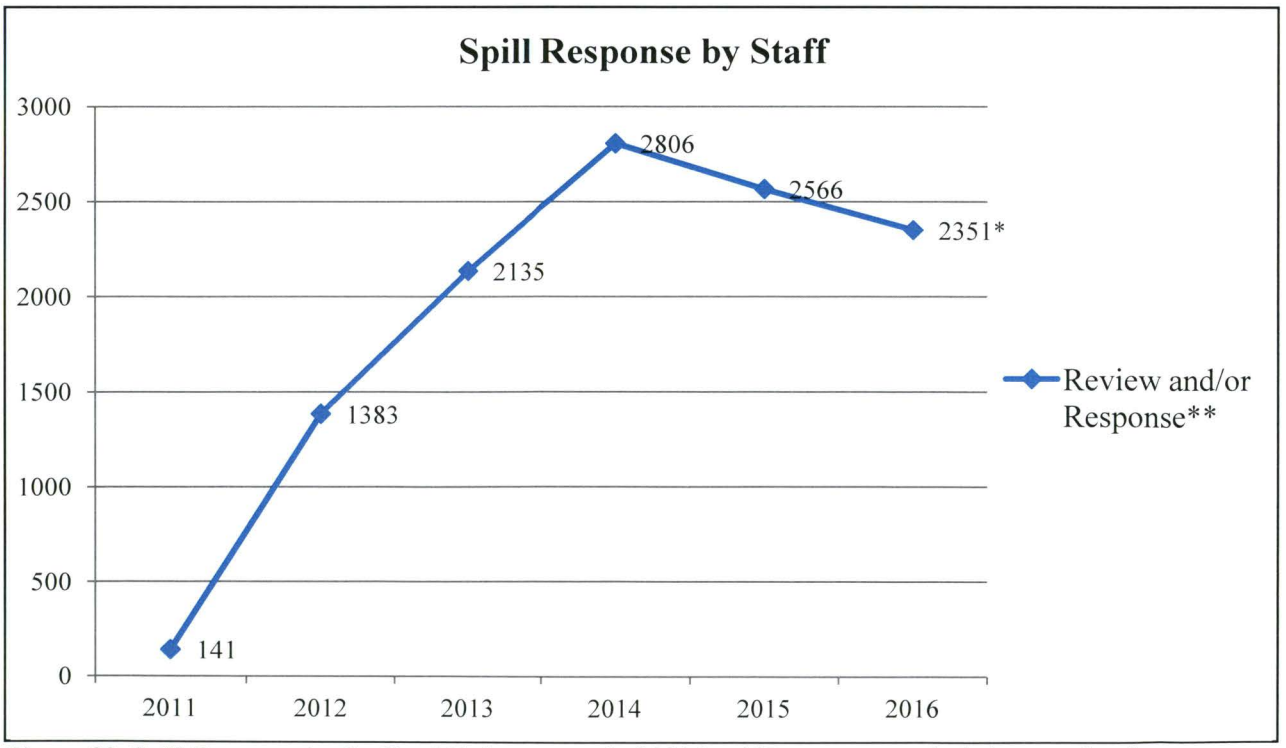


Figure 22. Spill Response by Staff * Estimate at end of 2016 **Response may include several actions (e.g., review to determine if follow-up is necessary, phone conversations and inspections).

NDPDES Program

Figure 23 shows there is still a high demand for the issuance of new permits. Except for septic system servicers, all of the following are federally required permits.

- Construction stormwater
- Dewatering and hydrostatic testing (including pipelines and tanks)
- Industrial stormwater
- Wastewater general permits (typically small domestic wastewater treatment facilities)
- Wastewater individual permits (typically major municipalities and industries)
- Septic system servicers

The continued overall increase in permits has resulted in additional inspections of septic tank servicers, stormwater controls, and crew camp and hauled wastewater treatment facilities. Even though numbers for new permits have started to decline, items like complaints of abandoned facilities that may need cleanup are on the rise. In addition, growth in the production of oil and natural gas has resulted in increased interest in facilities to use these products. The permits can be complex and require more staff time than most typical permits, and the interest in petrochemical manufacturing is expected to grow.

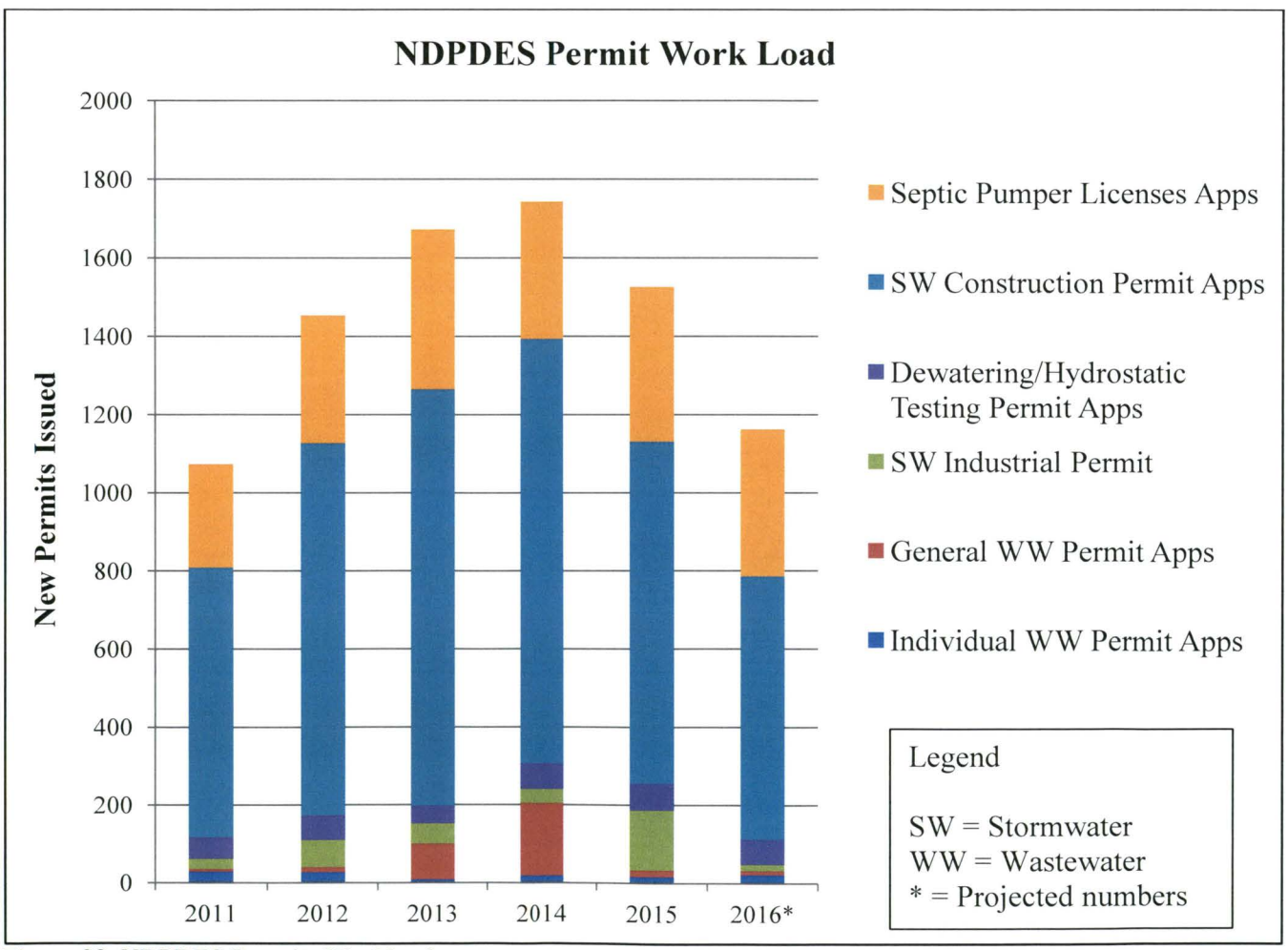


Figure 23. NDPDES Permits Workload

Ground Water Protection Program

The oil boom has significantly increased the water appropriation applications received by the State Water Commission for review (Figure 24), primarily related to industrial uses of ground water. Approximately 64 water appropriation permit reviews were completed in 2015, and it is estimated that 100 reviews will be completed in 2016.

Figure 24 also shows significant impact on the Underground Injection Control (UIC) Program. The number of potential UIC sites (crew camps, oil service companies, vehicle repair businesses, etc.) continues to increase. In 2015, it was estimated that approximately 325 businesses in western North Dakota may have Class V wells and therefore require inspection. Available staff was able to inspect approximately 35 facilities in 2015. In 2016, it is estimated approximately 350 facilities may warrant inspection. Additional potential UIC sites have yet to be evaluated. The program has responded to many requests for information about Class I injection wells and is in the process of permitting two Class I wells. One new Class I well is projected for permitting in 2016. Many proposed oilfield waste disposal sites are also considering Class I wells, and some facilities are evaluating injection of treated wastewater as a disposal option.

The number of public water systems in the oilfield has significantly increased, and each system requires the completion of a Wellhead Protection Area report. This report includes the delineation of the protection area, completion of a contaminant source inventory and a susceptibility analysis (Figure 25). In the last year, 32 reports have been prepared, including four reports for new non-community water systems. It is estimated that 65 reports will be prepared in 2016.

A significant number of calls have come from the public related to sampling of private wells (e.g., how to sample, where to send samples, what to analyze, perceived impacts to wells, etc.). Workload related to siting reviews for landfills and facilities, such as confined animal feeding operations (CAFOs), has increased significantly (Figure 25). Before the oil boom, one or two landfill pre-applications were received per year. In 2015, two oilfield special waste landfill pre-applications were received and reviewed by program staff. If the facilities obtain zoning approval, they will move through the application process requiring review by program staff. It is estimated that approximately 10 landfill and CAFO siting evaluations will be completed in 2016.

A number of Freedom of Information Act open-records requests (194) were processed by program staff during 2015 (Figure 24). In 2014, 180 requests were processed. It is anticipated that approximately 239 requests will be processed by program staff in 2016. Due to the past growth in oil and gas production, North Dakota is known nationwide as a large oil- and gas-producing state, and this has resulted in increased information requests from across the country. Many of these requests are broad in scope and take additional staff time to compile.

The Western Ground Water Monitoring Program was implemented in 2013 to evaluate ground water conditions in selected aquifers within the oil-producing areas of northwestern North Dakota. Approximately 135 observation wells in 20 aquifers are sampled as part of the Western Program. The initial round of sampling was completed between fall of 2013 and 2015. Sampling is currently being conducted on a 1.5-year rotation; approximately 45 wells are sampled each spring and each fall. Based on the results obtained as the sampling program progresses, wells may be added or deleted from the sampling program. The Western Program is conducted separately from the Agricultural Ground Water

Monitoring Program that was implemented in 1992, and it adds more workload for Ground Water Protection Program staff.

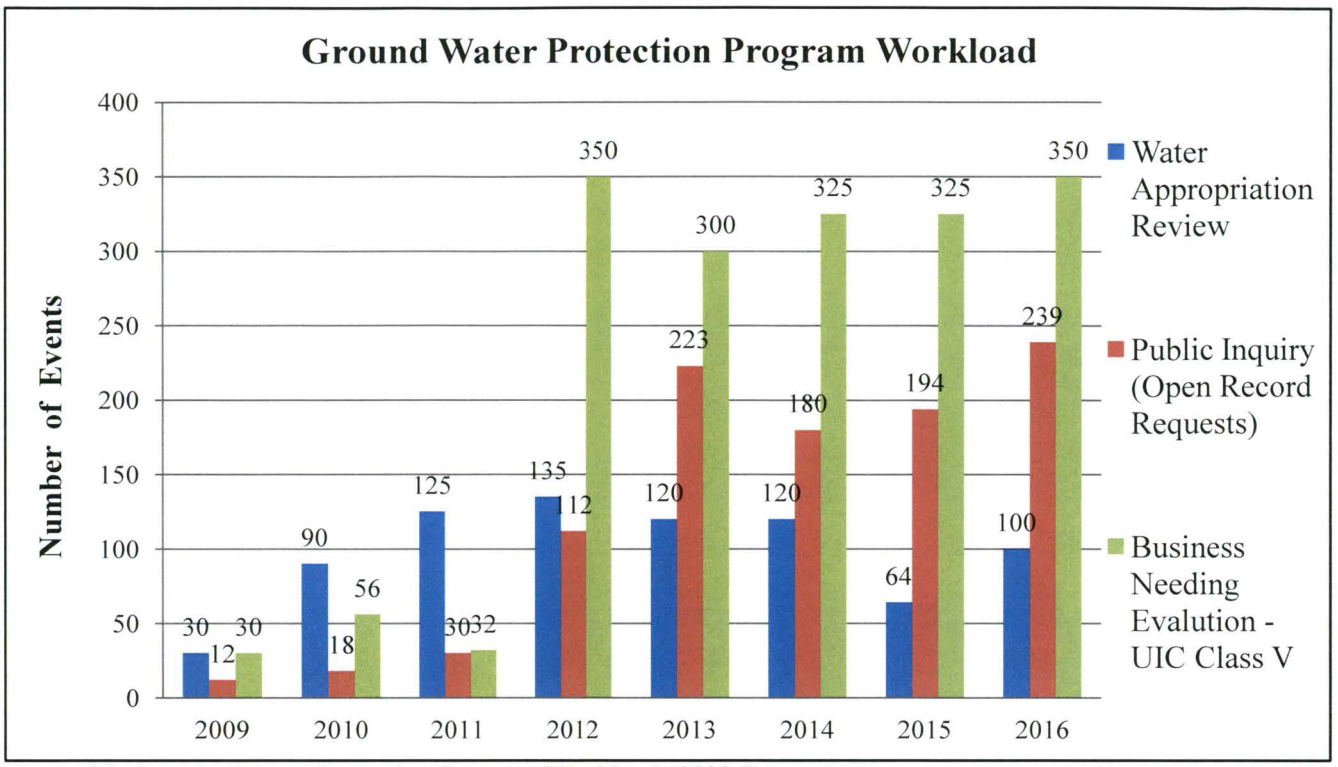


Figure 24. Ground Water Protection Program Workload (2009-Present)

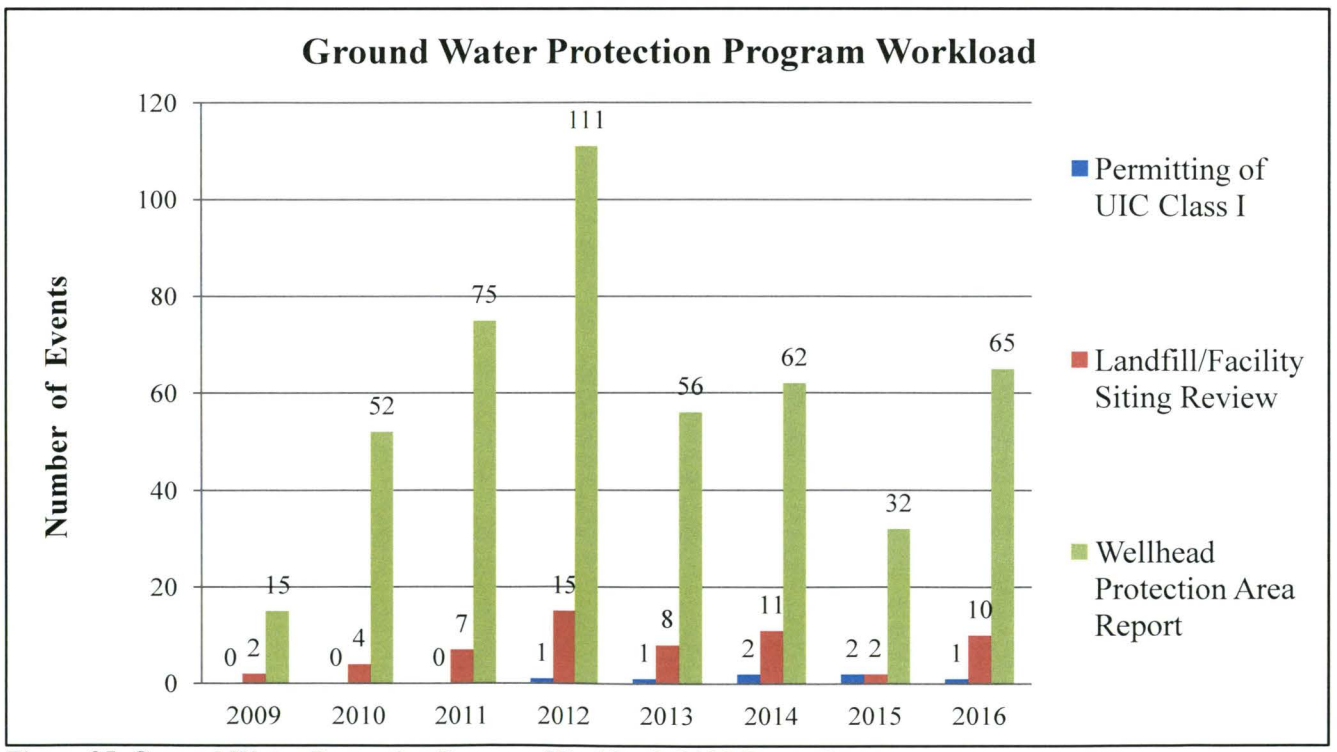


Figure 25. Ground Water Protection Program Workload (2009-Present)

Figure 26 shows formal enforcement actions relating to violations of environmental statutes from 2010 to date. Enforcement actions require considerable staff time relating to case investigation, technical evaluation, monitoring and compliance reviews.

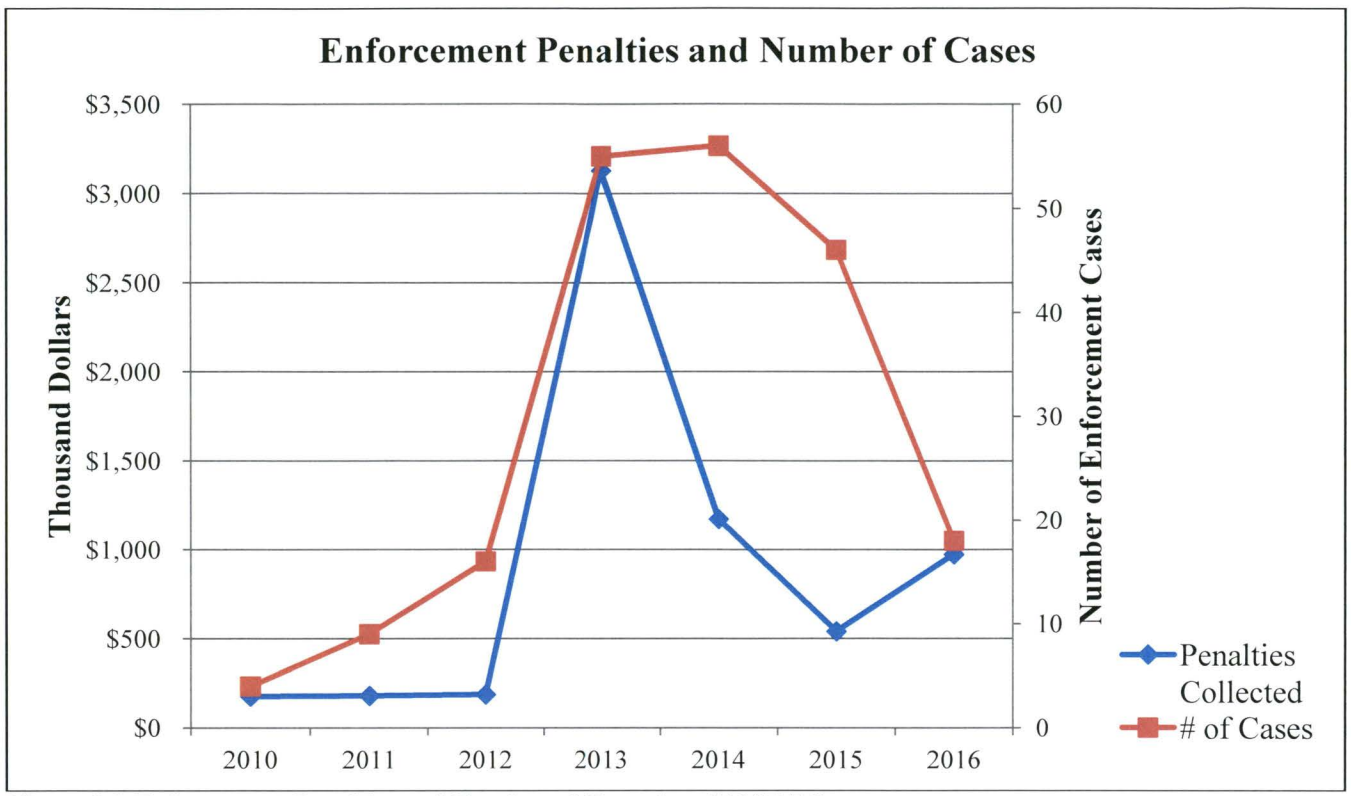


Figure 26. Enforcement Penalties and Number of Cases (as of 10/19/16)

III. Current Challenges

A. Division of Air Quality

Given the increased level of workload and complexity of the rules and regulations implemented and enforced, the division will be challenged to maintain its level of regulatory oversight and air quality monitoring.

B. Division of Laboratory Services

The division will be exploring ways to preserve the capabilities of the laboratory within existing budgets. Maintenance of instruments and replacement or upgrading of equipment and supplies are crucial to continued laboratory proficiency.

C. Division of Municipal Facilities

The division continues to experience increases in workload due to oilfield development activities. The increased workload is compounded by implementation of new and revised SDWA and State Revolving Loan Fund (SRLF) Program requirements; heightened community interest in using the SRLF programs for financial assistance to address infrastructure needs; and stagnant or reduced federal funding which impacts the division's ability to maintain state delegation for its programs. These challenges are not short-term but long-term.

D. Division of Waste Management

The significant increase in the number of pre-applications and applications for new or expanding landfills, both municipal solid waste and oilfield special waste, has greatly increased the workload. At the same time, there is an increased need for inspections at existing facilities and site visits to the new facility locations, which also takes significant staff time. Responding to illegal dumping and improper TENORM management incidents has also taken considerable staff time. At current budget levels, the division intends to address the existing workload with current staff.

E. Division of Water Quality

The Division of Water Quality continues to address both current and past spills to ensure appropriate cleanup. Continued oversight of ongoing remediation projects will require the retention of existing trained staff and the training of replacements due to turnover. Current budget level restraints will necessitate using existing positions. Enforcement actions and field/permitting activities will be prioritized.

SB 2004
03.06.2017
#3

Testimony

March 2017

SB 2004

Good Morning, Chairman Pollert and members of the House Appropriations Human Resources Committee. My name is Robin Iszler, I am the Unit Administrator at Central Valley Health District the local public health agency for Stutsman and Logan Counties with offices are in Jamestown, Gackle and Napoleon. I am here to tell you about Local Public Health Departments in North Dakota.

There are 28 local public health agencies in North Dakota. (See map). You may be already familiar with your local public health department from your District. Many times you might think of the Local Public Health Departments as the County or school nurse or the head lice queen! However, our role in protecting the public from disease is much broader.

Let me give you some examples of the programs that Central Valley provides to Stutsman and Logan Counties: Immunizations to adults and children, emergency preparedness, environmental health, WIC (Women, Infants and Children), Women's Way (breast/cervical cancer screening program), Family Planning and Maternal Child Health (MCH), Aging Services (Title III), Tobacco and Substance Abuse Prevention.

Local Public Health funding. This can be complicated. The programs mentioned above are funded by several different funding sources. The funding sources for State and Federal grants are many times administered through the State Health Department. At my agency we also receive funding from the Department of Human Services for Aging Services (medical services for those 60 and older) and substance abuse prevention. Local Public Health agencies are also part of local city/county government and the majority of us receive local funding from County mil levies or City funds. I have included my local budget breakdown on the enclosed pie graph that gives you a snapshot of what the funding looks

like and all the funding sources. What I would like you to note is the small piece of the pie labeled "State". This is our State Aid to Local Public Health line item which is part of the State Health Departments budget that you are reviewing.

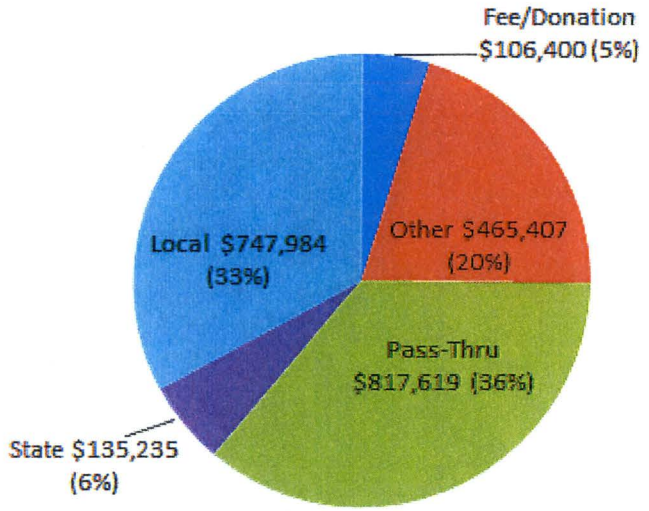
Maintaining the State Aid is critical to local public health departments. It helps us maintain services that protect the public's health. In some areas of our State, we are the only access to preventative health services that exists. For example, Central Valley is the only provider of immunizations for children in Logan County. We are proud that we have 98% of the school children in Logan County vaccinated.

In closing I would like to thank you for your support to Local Public Health in North Dakota. Do you have any questions for me?

Public Health
Prevent. Promote. Protect.
Central Valley Health District

Business and Finance Report

2016 Budget by Category— $2,272,645



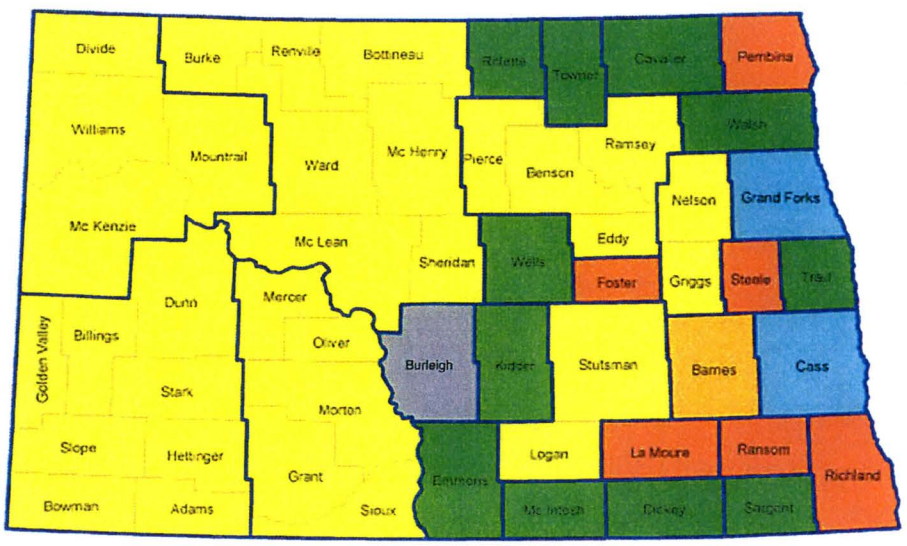
Fiscal Year	Local	State	Pass-Thru/ Federal	Fees/ Donations	Other	Total
2016	$747,984	$135,235	$817,619	$106,400	$465,407	$2,272,645

Program	2016 Budget
Stutsman (with Environmental Health)	$ 1,081,483
Tobacco	249,964
Family Planning	285,024
PHEP	202,994
Title III	100,941
Logan	96,712
WIC	94,760
Women's Way	66,452
SART	28,508
Prevention	22,000
Substance Abuse	14,102
Cross-Jurisdictional Environmental Health	12,750
Immunizations	9,455
Regional Network	7,500
Total	$ 2,272,645

ND LOCAL PUBLIC HEALTH UNIT CONTACTS

Bismarck-Burleigh Public Health	Renae Moch	701.355.1540	rmoch@bismarcknd.gov
Cavalier County Health District	Terri Gustafson	701.256.2402	tgustafs@nd.gov
Central Valley Health District	Robin Iszler	701.952.8181	riszler@nd.gov
City-County Health District	Theresa Will	701.845.8518	twill@barnescounty.us
Custer District Health Unit	Keith Johnson	701.667.3370	keith.johnson@custerhealth.com
Dickey County Health District	Roxanne Holm	701.349.4348	rholm@nd.gov
Emmons County Public Health	Bev Voller	701.254.4027	bvoller@nd.gov
Fargo/Cass Public Health	Ruth Roman	701.241.1360	rroman@cityoffargo.com
First District Health Unit	Lisa Clute	701.852.1376	lclute@nd.gov
Foster County Community Health Dept	Lisa Hilbert	701.652.3087	lhilbert@nd.gov
Grand Forks Public Health Department	Debbie Swanson	701.787.8100	dswanson@grandforksgov.com
Kidder District Health Unit	Janel Brousseau	701.475.2582	jabrousseau@nd.gov
Lake Region District Health Unit	Allen McKay	701.662.7035	amckay@nd.gov
LaMoure County Public Health Department	Tony Hanson	701.883.5356	tony.hanson@bhshealth.org
McIntosh District Health Unit	Cheryl Reis-Schilling	701.288.3957	crshilling@nd.gov
Nelson-Griggs District Health Unit	Julie Ferry	701.322.5624	Jferry@nd.gov
Pembina County Health Department	Jeanna Kujava	701.265.4248	jkujava@nd.gov
Ransom County Public Health	Brenna Welton	701.683.6140	brenna.welton@co.ransom.nd.us
Richland County Health Department	Debra Flack	701.642.7735	dflack@co.richland.nd.us
Rolette County Public Health District	Barb Frydenlund	701.477.5646	bfrydenlund@nd.gov
Sargent County District Health Unit	Brenda Peterson	701.724.3725	brenda.peterson@co.sargent.nd.us
Southwestern District Health Unit	Sherry Adams	701.483.0171	sladams@nd.gov
Steele County Public Health Dept	Brittany Ness	701.524.2060	blness@nd.gov
Towner County Public Health District	Sherry Walters	701.968.4353	slwalters@nd.gov
Traill District Health Unit	Brenda Stallman	701.636.4434	brenda.stallman@co.traill.nd.us
Upper Missouri District Health Unit	Javayne Oyloe	701.774.6400	joyloe@umdhu.org
Walsh County Health District	Wanda Kratochvil	701.352.5139	wkratoch@nd.gov
Wells County District Health Unit	Brittany Long	701.547.3756	long8607@hotmail.com

Local Public Health Units



City/County Health Department
City/County Health District
Bismarck/Burleigh Public Health
Multi-County Health District
Single County Health Department
Single County Health District

SB2004
03.06.2017
#4

Income Statement
For The 12 Periods Ended 12/31/2016
FIRST DISTRICT HEALTH UNIT (FDH)

	2016
Revenue	
Federal Funds	40,057.00
Consumer Fees	345,052.20
Donations	49.30
Medicaid	28,199.03
Medicare	102,392.84
Total Revenue:	515,750.37
Gross Profit:	515,750.37
Expenses	
Salaries	325,954.11
FICA	24,273.27
Unemployment & Workers Comp	1,126.58
Retirement	49,740.57
Group Health & Life Insurance	95,448.77
Contract Personnel	6,324.64
Audit	2,397.06
Board of Health	619.07
Building Maintenance	4,548.15
Contract Services	2,558.43
Data Processing	1,340.05
Dues & Subscriptions	235.42
Grant Expenses	921.50
Office Equipment	3,251.15
Health Alert Network	66.91
Health Promotion	367.22
Insurance	1,523.75
Off Site Lab Services	78.00
Office Space Rental	1,111.92
Professional Development	8,961.96
Supplies - Medical	9,510.12
Supplies - Office	6,086.46
Supplies - Pharmaceutical	384,198.67
Telephone	3,778.41
Travel	4,068.44
Utilities	3,964.81
Miscellaneous Expense	578.45
Total Expenses:	943,033.89
Net Income from Operations:	(427,283.52)
Earnings before Income Tax:	(427,283.52)
Net Income (Loss):	(427,283.52)

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Income Statement FLU
For The 12 Periods Ended 12/31/2016
FIRST DISTRICT HEALTH UNIT (FDH)

	2016
Revenue	
Consumer Fees	295,877.20
Medicaid	29,099.26
Medicare	97,514.75
Total Revenue:	422,491.21
Gross Profit:	422,491.21
Expenses	
Salaries	122,740.58
FICA	9,155.86
Unemployment & Workers Comp	473.47
Retirement	18,730.21
Group Health & Life Insurance	35,659.70
Contract Personnel	17,754.52
Audit	1,064.45
Board of Health	273.20
Building Maintenance	1,838.62
Contract Services	237.19
Data Processing	569.59
Dues & Subscriptions	101.41
Office Equipment	997.02
Health Alert Network	29.18
Health Promotion	1,562.87
Insurance	639.73
Office Space Rental	470.40
Professional Development	197.36
Supplies - Medical	9,862.08
Supplies - Office	6,236.01
Supplies - Pharmaceutical	174,464.13
Telephone	1,383.28
Travel	3,956.78
Utilities	1,724.99
Miscellaneous Expense	250.58
Total Expenses:	410,373.21
Net Income from Operations:	12,118.00
Earnings before Income Tax:	12,118.00
Net Income (Loss):	12,118.00

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SB2004 03.06.2017
#5

Executive Offices
1622 E. Interstate Ave.
Bismarck, ND 58503

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(701) 221-0693 Fax
(877) 221-3672 Toll Free
www.ndemsa.org

Testimony
Senate Bill 2004
House Appropriations Committee
Human Resources Section
Monday, March 6, 2017
North Dakota Emergency Medical Services Association

Good morning, Chairman Pollert and members of the committee. My name is Adam Parker, and I am a member of the North Dakota Emergency Medical Services Association's (NDEMSA) Advocacy Committee, as well as a member of their Board of Directors representing the southwest region of our state. I am here today in support of SB 2004.

The Health Department's budget includes $7.125 million for grants to ambulance services to offset operational costs that are not recovered through the billing process. It should be noted that the $7.125 million will help our volunteer EMS responders but even at that level the Health Department would be unable to fund all of the likely grant applications; there were $16 million in grant requests in the last biennium.

Ambulance services across our state are facing strong challenges. Volunteer labor accounts for $31 million donated by our EMS providers to the health and safety of North Dakota. That volunteer labor pool is dwindling; therefore services struggle to recruit new volunteer members and to hire paid staff. Additionally, many patients are uninsured or underinsured leaving rural ambulance services unable to collect sufficient revenue. These forces of increased labor costs and decreasing reimbursement are stressing the system we have in place. The rural ambulances appreciate the continued focus on keeping them viable.

This concludes my testimony, I am happy to answer any questions you may have.

SB2004 03.06.2017 #6

North Dakota Veterinary Medical Association

2304 Jackson Avenue
Bismarck, ND 58501
Phone: 701-221-7740 • **Fax:** 701-751-4451
E-mail: ndvma@btinet.net • **Website:** www.ndvma.com

Testimony of Deana Wiese

In Support of SB 2004

March 6, 2017

Chairman Pollert and Members of the Committee:

My name is Deana Wiese, and I am representing the North Dakota Veterinary Medical Association (NDVMA). I am voicing support for SB 2004, specifically as it relates to the Veterinarian Loan Repayment Program.

NDVMA has spent more than a century representing the interests of veterinarians, their clients and patients. Today, the organization has more than 275 members representing small, large animal, exotic, bovine and equine practitioners, and those veterinarians working in research, academic and government capacities.

The purpose of the Veterinarian Loan Repayment Program is to attract new food animal veterinarians to the state to practice in areas of need, specifically rural communities. The program has been successful in doing just that. Since 2007, when the program was authorized by the legislature, 29 veterinarians have been selected with 26 completing or currently completing their terms of service. Of those 26, all but one continue to practice in North Dakota with 24 in mixed or large animal practice. At least 13 are practice owners, either sole or in partnership.

Dr. Angela Steinley, a current recipient of the program and practicing food-animal vet in Beach, North Dakota, asked me to share her appreciation for the program. Her letter is attached.

According to the State Board of Animal Health, the number of applicants each year greatly exceeds the funding. We are currently aware of seven openings in rural North Dakota communities. These are additional indications of the value of the program.

In addition, according to the American Veterinary Medical Association, the debt-to-income ratio (DIR) for recent graduates in veterinarian medicine in 2015 was 2:1. In comparison, a 2011 report from the Congress' Joint Economic Committee indicates that of students with outstanding debt, the ratio is .6:1. There currently is a national effort in the veterinary industry to decrease the DIR to 1.4:1 to ensure the financial viability of the profession. This program helps meet that objective for veterinarians serving in rural areas in North Dakota with high demand for food-animal services.

NDVMA has greatly appreciated your support of the program in the past and strongly encourages its continued funding.

To whom it may concern,

I am a past recipient of the North Dakota Veterinary Loan Repayment Program. I signed up for four years of service in exchange for money to help pay back my student loans. This letter is to express my gratitude for this program and to let you know what a difference it has made for me. The reason, I believe, for this program was to retain more mixed animal or food animal veterinarians in this state. At least with me, this program has done exactly that.

I am originally from eastern Iowa and had never been to North Dakota when I came out for an interview during my 4th year at Iowa State in 2009. The practice was exactly what I was looking for (very mixed animal with a great mentoring veterinarian.) Because of that I made the decision to move here, despite the fact I knew no one out here and all my family was back in Iowa.

In the fall of 2012 I was considering moving back to Iowa to be closer to my family. The cost of living here was fairly high and the pay was pretty low (an unfortunate combination of oil field activity in a rural area.) The veterinarian I was working for was looking to retire and sell his practice, so buying the practice was another option for me. I decided to try applying for the Loan Repayment program one more time before making my decision.

My acceptance into the Loan Repayment Program in 2013 helped me make my decision. Financially it made the most sense to stay here another four years and have my student loans paid off. If I was going to commit to four more years here I decided I would like to do that as a practice owner.

This program allowed me to be able to purchase a house and the veterinary practice I had been working in for the last four years. I have been very happy with my decision. I have now been in North Dakota over seven years and in many ways I can't imagine moving back to Iowa. In the last four years I have also met my husband (who is from the Montana/North Dakota area). I am very rooted here now and do not foresee myself moving out of the area until after I retire (and likely not even then.)

In closing I just wanted to say thank you to all involved in making this program possible. It has been amazingly beneficial to me and allowed me to do things I may never have thought possible. I feel it has also fulfilled your goal in retaining veterinarians in the area long term.

Thank you,

Dr. Angela Steinley
Beach Veterinary Clinic
Beach, ND

SB2004
03.06.2017
#7

American Heart Association | American Stroke Association
life is why™

you're the cure

SB 2004

Department of Health Appropriation
Testimony – June Herman, American Heart Association

Good morning Chairman Pollert and members of the House Human Resources Section. For the record, I am June Herman, Regional Vice President of Advocacy for the American Heart Association.

I am before you today to speak in support of funding for the Cardiac and Stroke Systems of Care. The 2015 – 2017 budget provided $856,200 for stroke system work and $200,000 cardiac systems of care as separate budget items. In recognition of the state fiscal situation, we recommended combining them together to enable stronger work within the cardiac system, equaling out opportunities for both systems without requesting additional funds. The combined appropriation totaling $1,056,200 for continued time critical systems. The executive budget recommendation provided $756,418, with which the Senate concurred during their initial work, representing a 30% reduction for time critical emergency care system work.

In addition, within the Department of Public Instruction budget, $450,000 to support CPR skills training in schools is zeroed out for the coming biennium. We saw the challenge with the funding within the DPI budget being a challenge for school implementation.

If we can maintain the combined stroke and cardiac systems of care funding at the 2015 – 2017 budget level, the cardiac task force, we see a stronger model of by-stander CPR training being through the Cardiac Ready Community initiative. Communities within the Cardiac Ready Community initiative are looking to building community readiness to respond, and can work directly with their community schools, other youth based programs, and community events to ensure the simple basic skills are known by many.

Both systems aim to save lives and to reduce long term disability due to heart or brain damage. While great strides have been made, heart and stroke remains North Dakota's leading cause of death, and stroke the leading admission to long term care.

The two task forces, the stakeholder partners and division of emergency medical systems have undertaken a significant workload this biennium, and are recognized as national leaders in rural systems of care. Highlights:

- Statewide data registries used for system and care improvement
- Consensus emergency treatment plans (algorithms) and training
- Transport plans specific to each EMS service based on area hospital designations
- Rural hospital designation process
- 1st in the nation – working on overall cardiac transport plans
- System data review and training on local, regional and state level for hospital care leads and EMS partners
- Cardiac Ready Community designation (notable stories of impact: Powers Lake, Wishek. Over a dozen other communities working on designation criteria.)

As a result:

- North Dakota is testing new national AHA standards for rural stroke emergency response prior to new science based practices being promulgated
- Helps to make North Dakota a more attractive practice market for cardiac and stroke medical specialists in a competitive national market
- And most of all, saving lives and reducing disabilities

The systems of care work are an important link to impacting the downstream sick care burdens for the state. Going further upstream, another appropriation priority is comprehensive tobacco prevention funding, with sufficient resources to support best and promising practices as recommended by CDC. If the responsibility for a comprehensive program is moved to the Department of Health, do so with the resources to effectively implement efforts that can achieve reduction in tobacco use.

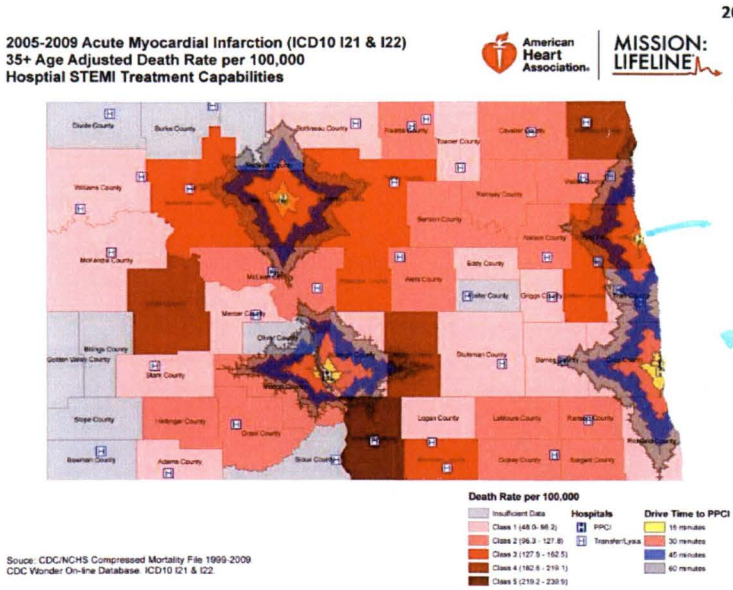
I'm happy to answer any questions you may have.

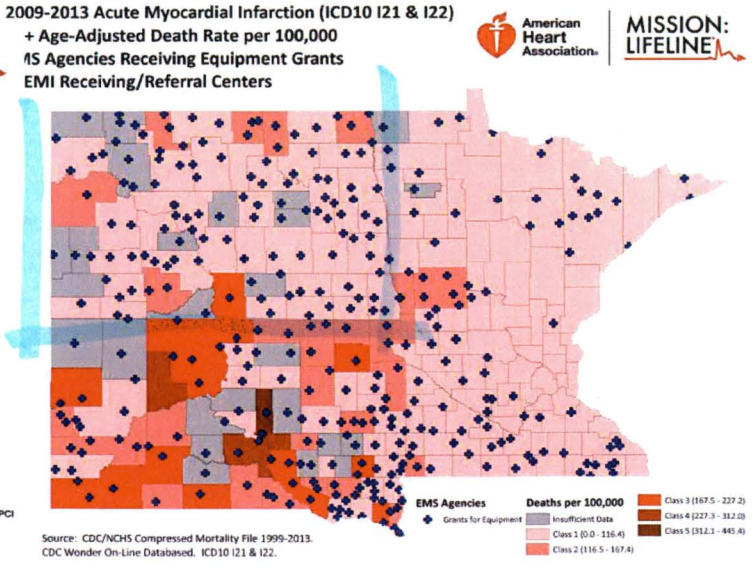
Leading Causes of Death in North Dakota

Major Cardiovascular Diseases including stroke 1,632 (26.9%)	**Chronic Lower Respiratory Diseases** 347 (5.7%)
Cancer 1,254 (20.7%)	**Accidents** 332 (5.5%)
Alzheimer's Disease 435 (7.2%)	**Diabetes** 199 (3.3%)

- According to the American Heart Association, cardiovascular diseases cost North Dakota $1.1 billion in 2010. This includes the cost of health expenditures (physicians and other professionals, hospital and nursing home services, medications, home health care and other medical items) and lost productivity.

- Overall, researchers found that baby boomers (current 46 to 64 year olds) have higher rates of chronic disease, more disability and lower self-rated health than the previous generation at the same age. They are more likely to be obese and less physically active than the previous generation (Chart 12). Baby boomers also have greater rates of high blood pressure, high cholesterol and diabetes. https://www.nd.gov/dhs/info/pubs/docs/medicaid/ltc-interim-report.pdf





SB2004
03.09.2017
#1

North Dakota Department of Health
Tobacco Special Appropriation Line
2017-19 Executive Budget

		2013-15 Actual Expenditures	Expend To Date Nov 2016	2015-17 Current Budget	2017-19 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES							
FTE EMPLOYEES (Number)		**6.00**	**0.00**	**4.75**	**4.85**	**0.10**	**2%**
511	Salaries	481,326	377,848	501,274	539,826	38,552	8%
513/514	Temporary, Overtime	176	1,440	1,728	0	(1,728)	
516	Benefits	207,263	168,646	229,609	248,482	18,873	8%
	TOTAL	**688,765**	**547,934**	**732,611**	**788,308**	**55,697**	**8%**
	General Fund	0		0	0	0	
	Federal Funds	688,765	547,934	732,611	788,308	55,697	8%
	Special Funds	0		0	0	0	
OPERATING EXPENSES							
521	Travel	42,383	32,821	48,798	50,908	2,110	4%
531	IT - Software/Supp.	6,058	5,433	11,471	11,644	173	2%
532	Professional Supplies & Materials	22,777	12,252	29,081	22,519	(6,562)	-23%
533	Food & Clothing	0		0	0	0	
534	Buildings/Vehicle Maintenance Supplies	0	8,341	1,000	1,015	15	2%
535	Miscellaneous Supplies	0		0	0	0	
536	Office Supplies	5,677	2,770	7,040	4,646	(2,394)	-34%
541	Postage	3,592	2,017	6,037	4,128	(1,909)	-32%
542	Printing	38,890	22,751	50,931	40,246	(10,685)	-21%
551	IT Equip Under $5000	7,511	1,668	3,625	3,325	(300)	-8%
552	Other Equip Under $5000	4,666	4,351	9,700	0	(9,700)	
553	Office Equip Under $5000	907		0	0	0	
561	Utilities	0		0	0	0	
571	Insurance	0		0	0	0	
581	Lease/Rentals - Equipment	492	268	759	759	0	0%
582	Lease \Rentals-- Buildings./Land	26,333	12,709	24,710	24,794	84	0%
591	Repairs	48		103	105	2	2%
601	IT-Data Processing	12,056	6,611	9,928	11,380	1,452	15%
602	IT-Telephone	8,403	4,562	10,339	6,539	(3,800)	-37%
603	IT - Contractual Services	0		0	0	0	
611	Professional Development	22,256	18,656	32,600	33,091	491	2%
621	**Operating Fees & Services**	**188,715**	**7,455**	**226,281**	**13,821**	**(212,460)**	-94%
623	**Professional Services**	**3,113,125**	**1,933,040**	**4,465,163**	**3,559,181**	(905,982)	-20%
625	Medical, Dental, and Optical	0		0	0	0	
	TOTAL	**3,503,889**	**2,075,705**	**4,937,566**	**3,788,101**	**(1,149,465)**	**-23%**
	General Fund	0		0	0	0	
	Federal Funds	1,060,030	395,443	1,696,702	658,573	(1,038,129)	-61%
	Special Funds	2,443,859	1,680,262	3,240,864	3,129,528	(111,336)	-3%
CAPITAL ASSETS							
683	Other Capital Payments	0		0	0	0	
684	Extraordinary Repairs	0		0	0	0	
691	Equipment >$5000	0		0	0	0	
693	IT Equip >$5000	0		0	0	0	
	TOTAL	**0**	**0**	**0**	**0**	**0**	
	General Fund	0		0	0	0	
	Federal Funds	0		0	0	0	
	Special Funds	0		0	0	0	
GRANTS							
712	Grants - Non State	1,328,161	801,781	1,240,000	1,110,472	(129,528)	-10%
722	Grants - In State	0		0	0	0	
	TOTAL	**1,328,161**	**801,781**	**1,240,000**	**1,110,472**	**(129,528)**	**-10%**
	General Fund	0		0	0	0	
	Federal Funds	543,252	281,066	540,000	540,000	0	0%
	Special Funds	784,909	520,715	700,000	570,472	(129,528)	-19%
SPECIAL LINES							
-71	Tobacco Prevention/Control	0		0	0	0	
-72	WIC Food Payments	0		0	0	0	
-78	Food & Lodging IMS	0		0	0	0	
-79	Federal Stimulus Funds	0		0	0	0	
	TOTAL	**0**	**0**	**0**	**0**	**0**	
	General Fund	0		0	0	0	
	Federal Funds	0		0	0	0	
	Special Funds	0		0	0	0	
	TOTAL	**5,520,815**	**3,425,420**	**6,910,177**	**5,686,881**	**(1,223,296)**	**-18%**
	General Fund	0	0	0	0	0	
	Federal Funds	2,292,047	1,224,443	2,969,313	1,986,881	(982,432)	-33%
	Special Funds	3,228,768	2,200,977	3,940,864	3,700,000	(240,864)	-6%

North Dakota Department of Health
Tobacco Special Appropriation Line
2017-19 Executive Budget

Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
NDQUITS/Vendor National Jewish Health	1,665,000	(365,000)	1,300,000		65,000	1,235,000
NDQUITS/Vendor UND	671,000	-	671,000		65,000	606,000
NDQUITS/Vendor Promotion (Odney)	1,184,471	(484,471)	700,000		100,000	600,000
NDQUITS/Vendor Evaluation (Professional Data Analysts)	140,000	10,000	150,000		150,000	
Tobacco Consultants-Cameo Communications	100,000	(70,000)	30,000		30,000	
Youth Tobacco Survey (Winkelman Consulting)	20,000	10,000	30,000		9,472	20,528
Second Hand Smoke Survey	30,000	10,000	40,000			40,000
Adult Tobacco Survey (University of Wyoming)	30,000	10,000	40,000			40,000
State Employee Cessation - NDPERS	88,000	(8,000)	80,000			80,000
City/County	8,000	-	8,000			8,000
Tobacco - Best Practices Media Campaign (Odney)	500,000	-	500,000			500,000
Cessation Services-Dr. Johnson	2,500	(2,500)	-			
Legal - Tobacco & Misc.	6,192	(3,192)	3,000		3,000	
Quality Improvement Project	5,000	(5,000)	-			
Tobacco - Clearwater Behavioral Risk Survey	15,000	(7,819)	7,181		7,181	
Total Professional Services	**$ 4,465,163**	**$ (905,982)**	**$ 3,559,181**	**$ -**	**$ 429,653**	**$ 3,129,528**

North Dakota Department of Health
Tobacco Special Appropriation Line
2017-19 Executive Budget

Grant Line Item

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
CDC Tobacco Prevention Grant - Appn Ln 71 - Grants to Tribes	540,000	-	540,000		540,000	
Community Health Trust - Appn Ln 71 - Grants to Health Systems	700,000	(129,528)	570,472			570,472
Total Grants	**$ 1,240,000**	**$ (129,528)**	**$ 1,110,472**	**$ -**	**$ 540,000**	**$ 570,472**

North Dakota Department of Health
Community Health
2017-19 Executive Budget

Summary of Federal & Special Funds

Federal Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)	
Women's Way	2,885,030	3,484,464	599,434	
Comprehensive Cancer	665,801	920,603	254,802	
Cancer Management Leadership Coordination	84,807	-	(84,807)	
Colorectal Cancer	1,500,682	-	(1,500,682)	
Behavioral Risk Factor Surveillance System (BRFSS)	372,181	600,000	227,819	
Diabetes, Heart Disease, Stroke, Obesity and School Health (DHDOSH)	2,097,337	2,213,595	116,258	
Family Planning Services	2,112,865	2,023,269	(89,596)	
Maternal and Child Health Services Block Grant (MCH)	4,357,816	4,066,033	(291,783)	
Oral Disease Prevention Program	593,175	614,017	20,842	
DHS New Parent Newsletter	7,500	7,500	-	
School Health	77,873		(77,873)	
Oral Health Workforce Activities	548,366	851,436	303,070	
Pregnancy Risk Assessment Monitoring System (PRAMS)	-	334,225	334,225	
Oral Health Mobilization	734,355		(734,355)	
Abstinence	117,845	179,588	61,743	
Newborn Screening		300,000	300,000	
Telehealth Network Grant		507,055	507,055	
Family Violence & Prevention Services Grant	1,460,124	1,509,294	49,170	
Child Safety Program	294,989	291,876	(3,113)	
STOP Violence Against Women Formula Grants	1,648,449	1,733,644	85,195	
Sexual Violence Prevention and Education	348,218	399,896	51,678	
Consumer Product Safety	1,700	4,696	2,996	
Sexual Assault Service Grant Program	538,950	696,096	157,146	
Falls for Older Adults		86,123	86,123	
Garrett Lee Smith Suicide	1,445,604		(1,445,604)	
Safe Routes to Schools		61,426	61,426	
Women, Infant and Children (WIC) - Supplemental Food/Admin Services	28,157,280	28,544,878	387,598	
WIC - Electronic Benefits Transfer (EBT) Implementation	1,745,160	1,739,220	(5,940)	
WIC - Management Information Systems Upgrade (MIS)	123,700		(123,700)	
WIC - Peer Counseling	302,660	249,477	(53,183)	
Breastfeeding Collaboration		60,000	60,000	
Preventive Health Block Grant	646,624	808,090	161,466	
State Systems Development Initiative (SSDI)	212,187	215,904	3,717	
Hold back 1% salary increase		(36,524)	(36,524)	
Unallocated Executive Compensation Package		93,233	93,233	
Unallocated Removal of 1% Proposed Pay Increase		(19,353)	(19,353)	
Unallocated 5% of Health Insurance Adjustment		(48,527)	(48,527)	
CDC Tobacco	2,969,313	1,756,881	(1,212,432)	*
Quitline Capacity		100,000	100,000	*
Medicaid Quitline Match		130,000	130,000	*
Total Federal Funds	**$ 56,050,591**	**$ 54,478,115**	**$ (1,572,476)**	

Special Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)	
Women's Way - Community Health Trust Fund (CHTF)	400,000	329,500	(70,500)	
BRFSS (CHTF)	496,000	470,500	(25,500)	
BRFSS	24,500	-	(24,500)	
Colorectal Cancer		519,207	519,207	
Cancer Registry		98,000	98,000	
Equity Increase (previously funded with general fund)		27,597	27,597	
Unallocated Executive Compensation Package		3,018	3,018	
Unallocated Removal of 1% Proposed Pay Increase		(155)	(155)	
Unallocated 5% of Health Insurance Adjustment		(1,499)	(1,499)	
DentaQuest	494,056	295,624	(198,432)	
Sudden Infant Death Syndrome (SIDS)	10,000	10,000	-	
Hold back 1% of salary increase		(630)	(630)	
Domestic Violence Fund	340,000	340,000	-	
Bush Foundation Community Innovation	25,000	30,000	5,000	
At Cost Metabolic Medical Food Orders (PKU)	28,060	28,060	-	
Tobacco (CHTF)	3,440,864	3,200,000	(240,864)	*
Tobacco CDC Best Practice (Tobacco Prevention & Control Trust Fund)	500,000	500,000	-	*
			-	
Total Special Funds	**$ 5,758,480**	**$ 5,849,222**	**$ 90,742**	

* These funds are in the Tobacco Prevention and Control Special Line Item

North[redacted]kota Department of Health - DRAFT Comprehen[redacted]Tobacco Program Budget for 2017-19 Biennium[redacted]

House Appropriations Committee - Human Resources Division

2017 - 2019 Biennium

Best Practice Category	Expenses	Executive Budget	Senate Budget	Difference
Cessation	National Jewish Health contract (call center and nicotine replacement therapy distribution)	$ 970,000	$ 970,000	$ -
	UND (phone counselors)	$ 600,000	$ 600,000	$ -
	Grants to health systems (systems changes related to electronic health record (EHR) workflows, e-referral to NDQuits, training for staff on cessation/motivational interviewing/etc.)	$ 1,460,000	$ 1,529,980	$ 69,980
	DoH staff and operations	$ 285,020	$ 285,020	$ -
	Cessation Subtotal	**$ 3,315,020**	**$ 3,385,000**	**$ 69,980**
Health Communications	Odney Advertising (cessation program promotion and/or secondhand smoke awareness, youth prevention and advertising)	$ 850,000	$ 1,150,000	$ 300,000
	Health Communications Subtotal	**$ 850,000**	**$ 1,150,000**	**$ 300,000**
Infrastructure, Administration and Management	DoH staff and operations	$ 360,000	$ 360,000	$ -
	Infrastructure, Administration and Management Subtotal	**$ 360,000**	**$ 360,000**	**$ -**
Surveillance and Evaluation	North Dakota Youth Tobacco Survey (odd numbered years)	$ 30,000	$ 30,000	$ -
	North Dakota Adult Tobacco Survey (odd numbered years)	$ 80,000	$ 80,000	$ -
	Professional Data Analysts (external evaluation contract)	$ 250,000	$ 450,000	$ 200,000
	DoH staff and operations	$ 107,721	$ 104,368	$ (3,353)
	Surveillance and Evaluation Subtotal	**$ 467,721**	**$ 664,368**	**$ 196,647**
State and Community-Based Interventions	LPHU regional grants to work with communities to advance priority best/promising practices	$ 2,000,000	$ 5,500,000	$ 3,500,000
	LPHU formula-based tobacco state aid (all LPHUs would receive) ***moved to Admn Support***	$ 1,000,000	$ -	$ (1,000,000)
	Tribal community interventions (smoke-free casinos/policies, price increases, etc.)	$ 400,000	$ 600,000	$ 200,000
	Tobacco Prevention and Control Advisory Committee (committee to provide input to DoH on community grant program, assist in reviewing/scoring grants)	$ 20,000	$ -	$ (20,000)
	DoH staff and operations	$ 285,020	$ 488,373	$ 203,353
	State and Community-Based Interventions Subtotal	**$ 3,705,020**	**$ 6,588,373**	**$ 2,883,353**
	GRAND TOTAL	**$ 8,697,761**	**$ 12,147,741**	**$ 3,449,980**
	General Fund	**$ -**		**$ -**
	Federal Funds	**$ 1,997,761**	**$ 1,994,408**	**$ (3,353)**
	Special Funds	**$ 6,700,000**	**$ 10,153,333**	**$ 3,453,333**
	FTE	**4.85**	**5.85**	**1.00**

Department of Health
Community Health Trust Fund
Status Statement

	2013-15 Final Actual Expended	2015-17 Projected February 2017	2017-19 Executive Budget
Beginning Balance	$47,258	$429,184	$243,964
Revenue:			
Transfers from the tobacco settlement trust	4,223,048	4,026,644	4,000,000
Total Revenues	4,223,048	4,026,644	4,000,000
Expenditures:			
Dental Loan Program	($360,000)	($55,000)	
Dental New Practice Grant	(5,000)		
Veterinarian Loan Repayment Program			
Tobacco Prevention and Control	(3,228,768)	(3,440,864)	(3,200,000)
Women's Way Program	(247,354)	(400,000)	(329,500)
Behavioral Risk Factor Surveillance System (BRFSS)		(316,000)	(470,500)
Total Expenditures	(3,841,122)	(4,211,864)	(4,000,000)
Ending Balance	$429,184	$243,964	$243,964

ANALYSIS OF THE TOBACCO PREVENTION AND CONTROL TRUST FUND FOR THE 2015-17 AND 2017-19 BIENNIUMS (REFLECTING LEGISLATIVE ACTION AS OF CROSSOVER)

	2015-17 Biennium		2017-19 Biennium	
Beginning balance		$49,341,421		$55,897,620
Add estimated revenues				
Tobacco settlement revenues collected to date	$11,480,889[1]			
Projected tobacco settlement revenues	11,480,889[2]		$0[2]	
Investment and miscellaneous revenue	142,460[3]		142,460[3]	
Total estimated revenues		23,104,238[4]		142,460[4]
Total available		$72,445,659		$56,040,080
Less estimated expenditures and transfers				
Tobacco Prevention and Control Executive Committee:				
Expenditures pursuant to 2015 HB 1024	$16,548,039[5]		$0[5]	
State Department of Health (2017 SB 2004):				
Local public health unit grants			$2,000,000	
Cancer programs			644,804	
Stroke and cardiac care programs			756,418	
Physician loan repayment program			480,000	
Behavioral health loan repayment program			243,640	
Tobacco program grant			500,000	
Tobacco prevention and control program			6,453,333	
Department of Human Services (2017 HB 1012):				
Medicaid grants			15,000,000	
Opioid treatment			1,000,000	
Total estimated expenditures and transfers		16,548,039		27,078,195
Estimated ending balance		$55,897,620		$28,961,885

[1]As of January 2017 the state has received tobacco settlement payments totaling $31,947,333 for the 2015-17 biennium, of which $20,466,444 was deposited in the tobacco settlement trust fund and $11,480,889 was deposited in the tobacco prevention and control trust fund. To date, the state has received total tobacco settlement collections of $495,923,569, including $387,862,947 under subsection IX(c)(1) of the Master Settlement Agreement and $108,060,622 under subsection IX(c)(2) of the Master Settlement Agreement. Of the $495,923,569, $401,660,676 has been deposited into the tobacco settlement trust fund and $94,262,893 has been deposited into the tobacco prevention and control trust fund.

[2]Tobacco prevention and control trust fund revenues have been estimated based on actual revenues received through January 2017 and executive budget estimated revenues for the 2017-19 biennium. The 2017-19 revenues do not include a deposit in the tobacco prevention and control trust fund because the final payment under subsection IX(c)(2) of the Master Settlement Agreement is anticipated in April 2017.

[3]In August 2015 the Tobacco Prevention and Control Executive Committee entered into an agreement with the State Investment Board to provide investment management services for the tobacco prevention and control trust fund. On September 30, 2015, the Tobacco Prevention and Control Executive Committee transferred $47.3 million to the State Investment Board for management. The investment policy statement adopted by the executive committee includes an asset mix of 75 percent global fixed income, 10 percent global equity, and 15 percent cash. Estimated investment income reflects earnings and realized gains, but does not include changes in the market value of the investments.

SB2004 03.09.2017
#2

ANALYSIS OF THE COMMUNITY HEALTH TRUST FUND FOR THE 2015-17 AND 2017-19 BIENNIUMS (REFLECTING LEGISLATIVE ACTION AS OF CROSSOVER)

	2015-17 Biennium		2017-19 Biennium	
Beginning balance		$429,184		$243,964
Add estimated revenues				
Transfers to date from the tobacco settlement trust fund	$2,026,644[1]		$0	
Projected remaining transfers from the tobacco settlement trust fund	2,000,000[2]		4,000,000[2]	
Total estimated revenues		4,026,644[2]		4,000,000[2]
Total available		$4,455,828		$4,243,964
Less estimated expenditures and transfers				
State Department of Health (2015 HB 1004; 2017 SB 2004)				
Tobacco prevention and control, including the Tobacco Quitline and the tobacco cessation coordinator and operating expenses	$3,440,864[3]		$3,200,000[3]	
Women's Way program	400,000		329,500	
Behavioral Risk Factor State Survey	316,000		470,500	
State Department of Health - Dentists' loan repayment program funding to offset general fund budget reductions	55,000[4]			
Total estimated expenditures and transfers		4,211,864		4,000,000
Estimated ending balance		$243,964		$243,964

[1]As of January 2017, $2,026,644 has been transferred from the tobacco settlement trust fund for the 2015-17 biennium. Total transfers of $40,146,068 have been made from the tobacco settlement trust fund to the community health trust fund.

[2]Revenues - Interest earned on the community health trust fund is deposited in the general fund. Community health trust fund revenues have been estimated based on actual revenues received through January 2017 and executive budget estimated revenues for the 2017-19 biennium, net of funds appropriated from the tobacco settlement trust fund to the Attorney General's office for the enforcement of the Master Settlement Agreement and related disputes.

Initiated Measure No. 3 (2008) resulted in the following allocation of the revised estimated collections for tobacco settlement payments through 2025. The executive recommendation for the 2017-19 biennium did not include a transfer from the tobacco settlement trust fund to the common schools trust fund, but rather provided for a transfer of 45 percent of the revenue to the general fund. This recommendation requires statutory changes to North Dakota Century Code Section 54-27-25 and is not included in proposed legislation as of crossover. Therefore, the following are estimated allocations of tobacco settlement payments through 2025, as of crossover:

	Actual and Estimated Total Tobacco Settlement Proceeds, Net of Attorney General Costs	Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(2) Deposited in the Tobacco Prevention and Control Trust Fund	Allocation of Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(1)			
			General Fund	Common Schools Trust Fund	Water Development Trust Fund	Community Health Trust Fund
Actual payment April 2008	$36.4 million	N/A		$16.4 million	$16.4 million	$3.6 million
Actual payment April 2009	39.2 million	$14.1 million		11.3 million	11.3 million	2.5 million
Actual payments 2009-11 biennium	64.0 million	23.5 million		18.2 million	18.2 million	4.1 million
Actual payments 2011-13 biennium	63.0 million	22.8 million		18.1 million	18.1 million	4.0 million
Actual payments 2013-15 biennium	64.6 million	22.4 million		19.0 million	19.0 million	4.2 million
Estimated 2015-17 biennium	63.4 million[1]	23.0 million		18.1 million	18.1 million	4.0 million
Estimated 2017-19 biennium	40.2 million[1]	N/A	$0	$18.0 million[2]	18.0 million	4.0 million

Estimated 2019-21 biennium	52.5 million	N/A		23.6 million	23.6 million	5.3 million
Estimated 2021-23 biennium	52.5 million	N/A		23.6 million	23.6 million	5.3 million
Estimated 2023-25 biennium	52.5 million	N/A		23.6 million	23.6 million	5.3 million
Total	$528.3 million	$105.8 million	$0	$189.9 million	$189.9 million	$42.3 million

[1]This amount includes $200,000 made available from the tobacco settlement trust fund to the Attorney General for enforcement of the Master Settlement Agreement and any disputes with the agreement.

[2]The executive recommendation for the 2017-19 biennium did not include a transfer from the tobacco settlement trust fund to the common schools trust fund. This recommendation requires statutory changes to Section 54-27-25 and is not included in proposed legislation as of crossover.

[3]Section 54-27-25 provides money in the community health trust fund may be used by the State Department of Health, subject to legislative appropriation, for community-based public health programs and other public health programs, including programs with an emphasis on preventing or reducing tobacco usage. The 2003 Legislative Assembly authorized the establishment of a telephone "Tobacco Quitline." The 2007 Legislative Assembly increased the funding for the Tobacco Quitline to provide nicotine replacement therapy and cessation counseling. The 2007 Legislative Assembly authorized 1 full-time equivalent tobacco prevention coordinator position and related funding for salaries and wages and operating expenses for the position. The 2015 Legislative Assembly did not approve direct funding for the Tobacco Quitline or the tobacco prevention coordinator position, but appropriated $3,440,864 from the community health trust fund for tobacco prevention and control programs for the 2015-17 biennium. The department anticipates expending $3,440,864 from the fund for the 2015-17 biennium. The Senate version of Senate Bill No. 2004 appropriates $3.2 million from the community health trust fund to the department for tobacco prevention and control programs for the 2017-19 biennium.

In the November 2008 general election, voters approved Initiated Measure No. 3 that amended Section 54-27-25 to establish a tobacco prevention and control trust fund. The measure also provides that 80 percent of the funds allocated to the community health trust fund from the tobacco settlement trust fund be used for tobacco prevention and control. Based on estimated tobacco settlement trust fund transfers during the 2017-19 biennium, tobacco prevention and control expenditures from the community health trust fund are required to total approximately $3.2 million. **Senate Bill No. 2004, as of crossover, includes amendments to Section 54-27-25 to remove the 80 percent restriction on transfers to the community health trust fund.**

[4]The dentists' loan repayment program, which is administered by the State Health Council, was established in 2001 Senate Bill No. 2276 (Chapter 43-28.1). The Legislative Assembly, in 2015 Senate Bill No. 2205, amended Chapter 43-28.1 related to the dental loan repayment program to remove the maximum number of dentists and to provide the council select dentists who will provide services in areas of defined need, including populated areas where there are public health needs. The dentists are eligible to receive funds, not to exceed a total of $100,000 per applicant, for the repayment of their educational loans. The funds are payable over a 5-year period ($20,000 per year). The 2015 Legislative Assembly provided $540,000, of which $180,000 is from the general fund and $360,000 is from the student loan trust fund, for the dentists' loan repayment program during the 2015-17 biennium.

In addition, the 2009 Legislative Assembly approved Senate Bill No. 2358, which created Section 43-28.1-01.1 and provided an appropriation of $180,000 from the general fund for a loan repayment program for dentists in public health and nonprofit dental clinics. In 2015 the Legislative Assembly repealed Section 43-28.1-01.1 and included dentists willing to serve in public health and nonprofit dental clinics in the same loan repayment program as dentists serving small communities. The 2015 Legislative Assembly approved $180,000 from the general fund for the loan repayment program for dentists who practice in a public health setting or a nonprofit dental clinic that uses a sliding fee schedule to bill patients. This funding is in addition to $540,000 provided for the dental loan repayment program. Senate Bill No. 2205 (2015) repealed Section 43-28.1-01.1 related to the loan repayment program for dentists in public health and nonprofit dental clinics and the $180,000 from the general fund is available for the dental loan repayment program, as amended in the bill. Total funding available for the combined dental loan repayment program based on defined need was $720,000, of which $360,000 is from the general fund and $360,000 is from the student loan trust fund. However, due to budget reductions approved by the Legislative Assembly in August 2016, the State Department of Health reduced funding from the general fund for the dental loan repayment program by $355,000, of which $55,000 was replaced with funding available in the community health trust fund. The adjusted appropriation for the dental loan repayment program provides $420,000, of which $5,000 is from the general fund, $55,000 is from the community health trust fund, and $360,000 is from the student loan trust fund.

The 2017-19 executive budget recommendation and the Senate version of Senate Bill No. 2004 include $600,000, of which $240,000 is from the general fund and $360,000 is from the student loan trust fund, for the dentists' loan repayment program, $180,000 more than the adjusted 2015-17 biennium legislative appropriation.

FUND HISTORY

Section 54-27-25 created by 1999 House Bill No. 1475 established the community health trust fund. This section creates a tobacco settlement trust fund for the deposit of all tobacco settlement money obtained by the state. Money in the fund must be transferred within 30 days of its deposit in the fund as follows:

- 10 percent to the community health trust fund;
- 45 percent to the common schools trust fund. **The executive recommendation for the 2017-19 biennium does not included a transfer from the tobacco settlement trust fund to the common schools trust fund, rather the 45 percent is transferred to the general fund. (This recommendation is not included in proposed legislation as of crossover.)**; and
- 45 percent to the water development trust fund.

In the November 2008 general election, voters approved Initiated Measure No. 3 that amended Section 54-27-25 to establish a tobacco prevention and control trust fund. The measure provides for a portion of tobacco settlement funds received by the state to be deposited in this new fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement, which continues in perpetuity, will continue to be deposited into the tobacco settlement trust fund and allocated 10 percent to the community health trust fund, 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. Tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement relating to strategic contribution payments, which began in 2008 and continues through 2017, will be deposited beginning in 2009 into the newly created tobacco prevention and control trust fund. The measure also provides 80 percent of the funds allocated to the community health trust fund from the tobacco settlement trust fund be used for tobacco prevention and control. **Senate Bill No. 2004, as of crossover, includes amendments to Section 54-27-25 to remove the 80 percent restriction on transfers to the community health trust fund.**

The tobacco settlement payment received by the state in April 2008 was the first payment that included funds relating to subsection IX(c)(2) of the Master Settlement Agreement. This payment was received prior to the approval of the measure and was deposited in the tobacco settlement trust fund and disbursed as provided for in Section 54-27-25 prior to amendment by the measure. Future tobacco settlement payments will be deposited in the tobacco settlement trust fund and the tobacco prevention and control trust fund pursuant to Section 54-27-25, as amended by the measure.

The Legislative Assembly, in 2015 Senate Bill No. 2003, amended Section 54-27-25 related to the tobacco settlement trust fund to provide the principal and interest of the fund may be appropriated to the Attorney General for the enforcement of the Master Settlement Agreement and any disputes with the agreement. Appropriations made to the Attorney General for enforcement of the Master Settlement Agreement reduce the amount available for transfer from the tobacco settlement trust fund to the community health trust fund.

SB2004 03.09.2017
#3

ANALYSIS OF THE TOBACCO PREVENTION AND CONTROL TRUST FUND FOR THE 2015-17 AND 2017-19 BIENNIUMS (REFLECTING LEGISLATIVE ACTION AS OF CROSSOVER)

	2015-17 Biennium		2017-19 Biennium	
Beginning balance		$49,341,421		$55,897,620
Add estimated revenues				
Tobacco settlement revenues collected to date	$11,480,889[1]			
Projected tobacco settlement revenues	11,480,889[2]		$0[2]	
Investment and miscellaneous revenue	142,460[3]		142,460[3]	
Total estimated revenues		23,104,238[4]		142,460[4]
Total available		$72,445,659		$56,040,080
Less estimated expenditures and transfers				
Tobacco Prevention and Control Executive Committee:				
Expenditures pursuant to 2015 HB 1024	$16,548,039[5]		$0[5]	
State Department of Health (2017 SB 2004):				
Local public health unit grants			$2,000,000	
Cancer programs			644,804	
Stroke and cardiac care programs			756,418	
Physician loan repayment program			480,000	
Behavioral health loan repayment program			243,640	
Tobacco program grant			500,000	
Tobacco prevention and control program			6,453,333	
Department of Human Services (2017 HB 1012):				
Medicaid grants			15,000,000	
Opioid treatment			1,000,000	
Total estimated expenditures and transfers		16,548,039		27,078,195
Estimated ending balance		$55,897,620		$28,961,885

[1]As of January 2017 the state has received tobacco settlement payments totaling $31,947,333 for the 2015-17 biennium, of which $20,466,444 was deposited in the tobacco settlement trust fund and $11,480,889 was deposited in the tobacco prevention and control trust fund. To date, the state has received total tobacco settlement collections of $495,923,569, including $387,862,947 under subsection IX(c)(1) of the Master Settlement Agreement and $108,060,622 under subsection IX(c)(2) of the Master Settlement Agreement. Of the $495,923,569, $401,660,676 has been deposited into the tobacco settlement trust fund and $94,262,893 has been deposited into the tobacco prevention and control trust fund.

[2]Tobacco prevention and control trust fund revenues have been estimated based on actual revenues received through January 2017 and executive budget estimated revenues for the 2017-19 biennium. The 2017-19 revenues do not include a deposit in the tobacco prevention and control trust fund because the final payment under subsection IX(c)(2) of the Master Settlement Agreement is anticipated in April 2017.

[3]In August 2015 the Tobacco Prevention and Control Executive Committee entered into an agreement with the State Investment Board to provide investment management services for the tobacco prevention and control trust fund. On September 30, 2015, the Tobacco Prevention and Control Executive Committee transferred $47.3 million to the State Investment Board for management. The investment policy statement adopted by the executive committee includes an asset mix of 75 percent global fixed income, 10 percent global equity, and 15 percent cash. Estimated investment income reflects earnings and realized gains, but does not include changes in the market value of the investments.

[4]Initiated Measure No. 3, approved in the November 2008 general election, provides if in any biennium the tobacco prevention and control trust fund does not have adequate funding for the comprehensive plan, money may be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the Tobacco Prevention and Control Executive Committee to adequately provide for the comprehensive plan. The Legislative Assembly in Section 39 of 2009 House Bill No. 1015 provided any money deposited in the water development trust fund under North Dakota Century Code Section 54-27-25 may only be spent pursuant to legislative appropriations. **Senate Bill No. 2024, as of crossover, repeals the Tobacco Prevention and Control Executive Committee and removes its authority to use funding from the water development trust fund for the comprehensive plan.**

Initiated Measure No. 3 (2008) resulted in the following allocation of the revised estimated collections for tobacco settlement payments through 2025. The executive recommendation for the 2017-19 biennium did not include a transfer from the tobacco settlement trust fund to the common schools trust fund, but rather provided for a transfer of 45 percent of the revenue to the general fund. This recommendation requires statutory changes to Section 54-27-25 and is not included in proposed legislation as of crossover. Therefore, the following are estimated allocations of tobacco settlement payments through 2025, as of crossover:

	Actual and Estimated Total Tobacco Settlement Proceeds, Net of Attorney General Costs	Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(2) Deposited in the Tobacco Prevention and Control Trust Fund	Allocation of Actual and Estimated Payments Under Master Settlement Agreement Subsection IX(c)(1)			
			General Fund	Common Schools Trust Fund	Water Development Trust Fund	Community Health Trust Fund
Actual payment April 2008	$36.4 million	N/A		$16.4 million	$16.4 million	$3.6 million
Actual payment April 2009	39.2 million	$14.1 million		11.3 million	11.3 million	2.5 million
Actual payments 2009-11 biennium	64.0 million	23.5 million		18.2 million	18.2 million	4.1 million
Actual payments 2011-13 biennium	63.0 million	22.8 million		18.1 million	18.1 million	4.0 million
Actual payments 2013-15 biennium	64.6 million	22.4 million		19.0 million	19.0 million	4.2 million
Estimated 2015-17 biennium	63.4 million[1]	23.0 million		18.1 million	18.1 million	4.0 million
Estimated 2017-19 biennium	40.2 million[1]	N/A	$0	$18.0 million[2]	18.0 million	4.0 million
Estimated 2019-21 biennium	52.5 million	N/A		23.6 million	23.6 million	5.3 million
Estimated 2021-23 biennium	52.5 million	N/A		23.6 million	23.6 million	5.3 million
Estimated 2023-25 biennium	52.5 million	N/A		23.6 million	23.6 million	5.3 million
Total	$528.3 million	$105.8 million	$0	$189.9 million	$189.9 million	$42.3 million

[1]This amount includes $200,000 made available from the tobacco settlement trust fund to the Attorney General for enforcement of the Master Settlement Agreement and any disputes with the agreement.

[2]The executive recommendation for the 2017-19 biennium did not include a transfer from the tobacco settlement trust fund to the common schools trust fund. This recommendation requires statutory changes to Section 54-27-25 and is not included in proposed legislation as of crossover.

[5]The 2015 Legislative Assembly appropriated $16,548,039 from the tobacco prevention and control trust fund to the Tobacco Prevention and Control Executive Committee for the purpose of providing a level of funding that will meet the annual level recommended by the federal Centers for Disease Control and Prevention for North Dakota as published in its *Best Practices for Comprehensive Tobacco Control Programs* for the 2015-17 biennium. The executive recommendation did not include funding for the Tobacco Prevention and Control Executive Committee during the 2017-19 biennium. **Senate Bill No. 2024, as of crossover, does not include funding for the Tobacco Prevention and Control Executive Committee and provides for the repeal of Chapter 23-42, related to the tobacco prevention and control program, and statutory changes to Section 54-27-25.**

FUND HISTORY

The tobacco prevention and control trust fund was created as a result of voter approval of Initiated Measure No. 3 in the November 2008 general election. The measure added seven new sections to Century Code and amended Section 54-27-25 to establish the Tobacco Prevention and Control Advisory Committee and an executive committee, develop and fund a comprehensive statewide tobacco prevention and control plan, and create a tobacco prevention and control trust fund to receive tobacco settlement dollars to be administered by the executive committee. The measure provides for the advisory committee, appointed by the Governor, to develop the initial comprehensive plan and select an executive committee responsible for the implementation and administration of the comprehensive plan. The initiated measure became effective 30 days after the election (December 4, 2008).

Tobacco settlement payments received by the state under the Master Settlement Agreement are derived from two subsections of the Master Settlement Agreement. Subsection IX(c)(1) of the Master Settlement Agreement provides payments on April 15, 2000, and on April 15 of each year thereafter in perpetuity, while subsection IX(c)(2) of the Master Settlement Agreement provides for additional strategic contribution payments that began on April 15, 2008, and continue each April 15 thereafter through 2017. Section 54-27-25, created by 1999 House Bill No. 1475, did not distinguish between payments received under the separate subsections of the Master Settlement Agreement and provided for the deposit of all tobacco settlement money received by the state into the tobacco settlement trust fund. Money in the fund, including interest, is transferred within 30 days of deposit in the fund as follows:

- 10 percent to the community health trust fund.
- 45 percent to the common schools trust fund. **The executive recommendation for the 2017-19 biennium does not include a transfer from the tobacco settlement trust fund to the common schools trust fund, rather the 45 percent is transferred to the general fund. (This recommendation is not included in proposed legislation as of crossover.)**; and
- 45 percent to the water development trust fund.

The measure provides for a portion of tobacco settlement dollars received by the state to be deposited in the newly created tobacco prevention and control trust fund rather than the entire amount in the tobacco settlement trust fund. Tobacco settlement money received under subsection IX(c)(1) of the Master Settlement Agreement will continue to be deposited in the tobacco settlement trust fund and allocated 10 percent to the community health trust fund (with 80 percent used for tobacco prevention and control), 45 percent to the common schools trust fund, and 45 percent to the water development trust fund. **Senate Bill No. 2004, as of crossover, includes amendments to Section 54-27-25 to remove the 80 percent restriction on transfers to the community health trust fund.** Tobacco settlement money received under subsection IX(c)(2) of the Master Settlement Agreement will be deposited into the tobacco prevention and control trust fund. Interest earned on the balance in this fund will be deposited in the fund. The fund will be administered by the executive committee created by the measure for the purpose of creating and implementing the comprehensive plan. **The executive recommendation did not include funding for the Tobacco Prevention and Control Executive Committee during the 2017-19 biennium and recommended repealing Chapter 23-42 related to the Tobacco Prevention and Control Executive Committee. Senate Bill No. 2024, as of crossover, includes the repeal of Chapter 23-42 and statutory changes to Section 54-27-25.**

The measure also provides if in any biennium the tobacco prevention and control trust fund does not have adequate funding for the comprehensive plan, money may be transferred from the water development trust fund to the tobacco prevention and control trust fund in an amount determined necessary by the executive committee to adequately provide for the comprehensive plan. The Legislative Assembly, in Section 39 of 2009 House Bill No. 1015, provided any money deposited in the water development trust fund under Section 54-27-25 may only be spent pursuant to legislative appropriation. **Senate Bill No. 2024, as of crossover, repeals the Tobacco Prevention and Control Executive Committee and removes their authority to use funding from the water development trust fund for the comprehensive plan.**

The tobacco settlement payment received by the state in April 2008 was the first payment that included funds relating to subsection IX(c)(2) of the Master Settlement Agreement. This payment was received prior to the approval of the measure and was deposited in the tobacco settlement trust fund and disbursed as provided for in Section 54-27-25 prior to amendment by the measure. In 2009 tobacco settlement payments began to be deposited in the tobacco settlement trust fund and the tobacco prevention and control trust fund pursuant to Section 54-27-25 as amended by the measure.

SB2004
03.09.2017
#4

ND Department of Health
SB 2064 / SB 2004
2015 - 2017 Appropriation
Current Structure

	Cessation	Health Communica-tions	Infrastructure, Administration & Mgmt	Surveillance & Evaluation	State & Community Based Interventions	Total	
ND CENTER	3,461,297	2,653,187	835,874	1,710,811	7,886,870	16,548,039	
NDDoH	3,210,903	1,809,428	358,856	366,033	664,957	6,410,177	*
Total	6,672,200	4,462,615	1,194,730	2,076,844	8,551,827	22,958,216	
CDC Suggested**	8,045,136	2,988,836	988,788	1,955,103	8,494,585	22,472,448	
Variance	(1,372,936)	1,473,779	205,942	121,741	57,242	485,768	

Does not include the $500,000 granted to DoH by ND Center for Tobacco Prevention and Control Policy (BreatheND). This is included in the ND CENTER amounts.

* **$6,410,177 reflects the Budget. The actual amount received was less, due to a reduction in the CDC Tobacco Control grant.**

** **Amounts adjusted for population and inflation**

ND Department of Health
SB 2064 / SB 2004
2017 - 2019 Requested Budget as Submitted to OMB

	Cessation	Health Communica-tions	Infrastructure, Administration & Mgmt	Surveillance & Evaluation	State & Community Based Interventions	Total
ND CENTER	4,489,996	3,045,805	720,731	1,814,096	8,184,295	18,254,923
NDDoH	3,899,721	71,045	310,407	224,746	674,121	5,180,040
Total	8,389,717	3,116,850	1,031,138	2,038,842	8,858,416	23,434,963
CDC Suggested *	8,903,949	3,307,892	1,094,340	2,163,809	9,401,376	24,871,366
Variance	(514,232)	(191,042)	(63,202)	(124,967)	(542,960)	(1,436,403)

Does not include the $500,000 granted to DoH by ND Center for Tobacco Prevention and Control Policy (BreatheND). This is included in the ND CENTER amounts.

* **Amounts adjusted for population and inflation**

2017 - 2019 Executive Budget (Dalrymple Budget)
Draft Comprehensive Tobacco Program Budget

	Cessation	Health Communica-tions	Infrastructure, Administration & Mgmt	Surveillance & Evaluation	State & Community Based Interventions	Total
ND CENTER	-	-	-	-	-	-
NDDoH	3,315,020	850,000	360,000	467,721	3,705,020	8,697,761
Total	3,315,020	850,000	360,000	467,721	3,705,020	8,697,761
CDC Suggested *	8,903,949	3,307,892	1,094,340	2,163,809	9,401,376	24,871,366
Variance	(5,588,929)	(2,457,892)	(734,340)	(1,696,088)	(5,696,356)	(16,173,605)

* **Amounts adjusted for population and inflation**

SB2004
03.10.2017
#1

Job 29024

North Dakota Department of Health
Medical Services
2017-19 Executive Budget

		2013-15 Actual Expenditures	Expend To Date Nov 2016	2015-17 Current Budget	2017-19 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES							
FTE EMPLOYEES (Number)		**31.50**	**0.00**	**31.50**	**31.50**	**0.00**	**0%**
511	Salaries	3,304,833	2,555,772	3,634,476	3,699,847	65,371	2%
513/514	Temporary, Overtime	297,291	246,611	440,846	487,890	47,044	11%
516	Benefits	1,402,553	1,074,896	1,702,310	1,851,960	149,650	9%
	TOTAL	**5,004,677**	**3,877,279**	**5,777,632**	**6,039,697**	**262,065**	**5%**
	General Fund	1,413,063	1,043,755	1,600,934	1,605,808	4,874	0%
	Federal Funds	3,591,614	2,830,633	4,176,698	4,433,889	257,191	6%
	Special Funds	0	2,891	0	0	0	
OPERATING EXPENSES							
521	Travel	233,854	140,724	247,763	243,140	(4,623)	-2%
531	IT - Software/Supp.	24,173	16,878	46,410	47,108	698	2%
532	Professional Supplies & Materials	202,853	48,395	67,614	68,632	1,018	2%
533	Food & Clothing	3,169	444	3,451	3,503	52	2%
534	Buildings/Vehicle Maintenance Supplies	10,308	8,419	14,274	14,489	215	2%
535	Miscellaneous Supplies	171,136	4,334	40,371	40,978	607	2%
536	Office Supplies	19,355	13,218	50,681	51,444	763	2%
541	Postage	163,509	114,533	183,396	186,156	2,760	2%
542	Printing	53,041	34,109	62,193	65,020	2,827	5%
551	IT Equip Under $5000	15,666	27,110	44,750	13,300	(31,450)	-70%
552	Other Equip Under $5000	2,284	0	0	0	0	
553	Office Equip Under $5000	3,081	2,769	3,486	0	(3,486)	
561	Utilities	78,197	48,344	80,131	81,337	1,206	2%
571	Insurance	0	0	0	0	0	
581	Lease/Rentals - Equipment	17,215	8,443	19,644	19,644	0	0%
582	Lease \Rentals-- Buildings./Land	83,011	32,729	50,400	50,400	0	0%
591	Repairs	52,362	42,699	58,141	59,016	875	2%
601	IT-Data Processing	225,073	273,672	430,640	273,934	(156,706)	-36%
602	IT-Telephone	74,985	47,297	65,681	65,681	0	0%
603	IT - Contractual Services	1,150,623	1,520,735	2,127,256	1,861,247	(266,009)	-13%
611	Professional Development	54,146	50,518	83,607	84,865	1,258	2%
621	**Operating Fees & Services**	**7,002**	**7,229**	**27,492**	**27,905**	**413**	2%
623	**Professional Services**	**2,512,970**	**1,831,956**	**2,914,655**	**3,455,849**	541,194	19%
625	Medical, Dental, and Optical	5,455,925	3,021,523	5,876,032	3,298,776	(2,577,256)	-44%
	TOTAL	**10,613,938**	**7,296,078**	**12,498,068**	**10,012,424**	**(2,485,644)**	**-20%**
	General Fund	4,383,877	2,170,102	4,553,628	1,599,250	(2,954,378)	-65%
	Federal Funds	6,183,095	5,125,976	7,944,440	8,413,174	468,734	6%
	Special Funds	46,966		0	0	0	
CAPITAL ASSETS							
683	Other Capital Payments	230,516	115,570	230,874	231,288	414	0%
684	Extraordinary Repairs	24,301		19,820	0	(19,820)	
691	Equipment >$5000	39,493	58,406	54,000	0	(54,000)	
693	IT Equip >$5000	0		0	58,468	58,468	100%
	TOTAL	**294,310**	**173,976**	**304,694**	**289,756**	**(14,938)**	**-5%**
	General Fund	257,279	161,240	283,164	209,836	(73,328)	-26%
	Federal Funds	37,031	12,736	21,530	79,920	58,390	271%
	Special Funds	0		0	0	0	
GRANTS							
712	Grants - Non State	850,162	556,059	831,800	1,011,800	180,000	22%
722	Grants - In State	2,100	1,500	4,200	4,200	0	0%
	TOTAL	**852,262**	**557,559**	**836,000**	**1,016,000**	**180,000**	**22%**
	General Fund	0		0	0	0	
	Federal Funds	852,262	557,559	836,000	1,016,000	180,000	22%
	Special Funds	0		0	0	0	
SPECIAL LINES							
-71	Tobacco Prevention/Control	0		0	0	0	
-72	WIC Food Payments	0		0	0	0	
-78	Food & Lodging IMS	0		0	0	0	
-79	Federal Stimulus Funds	130,682		0	0	0	
	TOTAL	**130,682**	**0**	**0**	**0**	**0**	
	General Fund	0		0	0	0	
	Federal Funds	130,682		0	0	0	
	Special Funds	0		0	0	0	
	TOTAL	**16,895,869**	**11,904,892**	**19,416,394**	**17,357,877**	**(2,058,517)**	**-11%**
	General Fund	6,054,219	3,375,097	6,437,726	3,414,894	(3,022,832)	-47%
	Federal Funds	10,794,684	8,526,904	12,978,668	13,942,983	964,315	7%
	Special Funds	46,966	2,891	0	0	0	

North Dakota Department of Health
Medical Services
2017-19 Executive Budget

Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Disease Control Division						
Legal Fees - Attorney General	43,000	6,000	49,000	25,000	24,000	
Immunization - Media Campaign / Project Management / State Conference	505,931	(265,931)	240,000		240,000	
State Viral Hepatitis - Media Campaign	20,000	-	20,000	20,000		
Hepatitis / Other Outbreaks - Case Management	88,000	(8,000)	80,000	80,000		
State Viral Hepatitis Professional Fee Contracts LPHU	32,000	18,000	50,000	50,000		
HIV Prevention - Patient Testing/Rapid Testing LPHU	200,000	-	200,000		200,000	
HIV Prevention - Media Campaign	27,000	(27,000)	-			
HIV Prevention - Service Providers	240,000	10,000	250,000		250,000	
HIV Prevention - Telelanguage, Board of Nursing Continuing Education Credits	1,500	-	1,500		1,500	
Ryan White - Media Campaign	10,000	(10,000)	-			
Ryan White - Family HealthCare	20,000	10,000	30,000		30,000	
Ryan White - LPHU/Case Management	520,000	26,500	546,500		546,500	
Epidemiology Lab Capacity - Media Campaigns	60,000	(35,000)	25,000		25,000	
BioSense Data Aggregator	40,000	(40,000)	-			
Human Papillomavirus (HPV) Education Campaign	38,764	(38,764)	-			
Tuberculosis - Educational Campaign	7,600	-	7,600		7,600	
Tuberculosis - LPHU Patient Testing	127,200	-	127,200		127,200	
Tuberculosis - Case Management		10,000	10,000	10,000		
Tuberculosis - Contract Pharmacy		100,000	100,000	100,000		
Influenza Surveillance Sites - Clinics	30,000	(11,600)	18,400		18,400	
ELC Fellowships/Antibiotic Resistance Expert/Ebola Professional Fees	256,471	252,235	508,706		508,706	
Zika Media Campaign		200,000	200,000		200,000	
NSDU Human Papillomavirus (HPV) AFIX		325,000	325,000		325,000	
Forensic Examiner Division						
Legal Fees - Attorney General	3,500	-	3,500	3,500		
UND Pathology Department	480,000	-	480,000	480,000		
UND Pathology Department - vacation / overflow	40,000	-	40,000	40,000		
Sanford Health	49,945	1,498	51,443	51,443		
National Medical Services	55,700	16,300	72,000	72,000		
Misc. Medical Fees	2,650	350	3,000	3,000		
Metro Area Ambulance	15,394	1,606	17,000	17,000		
Total Professional Services	**$ 2,914,655**	**$ 541,194**	**$ 3,455,849**	**$ 951,943**	**$ 2,503,906**	**$ -**

Information Technology Contractual Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Consilience Maintenance - Electronic Lab Reporting	205,436	220	205,656	75,436	130,220	
Consilience Enhancements - Electronic Lab Reporting	50,000	(20,000)	30,000		30,000	
Blue Cross Blue Shield of North Dakota - Immunization Registry	1,871,820	(246,229)	1,625,591	40,020	1,585,571	
		-	-			
Total IT Contractual Services	**$ 2,127,256**	**$ (266,009)**	**$ 1,861,247**	**$ 115,456**	**$ 1,745,791**	**$ -**

North Dakota Department of Health
Medical Services
2017-19 Executive Budget

Grant Line Item

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Immunization Program to LPHU	606,000	30,000	636,000		636,000	
Epidemiology and Laboratory Capacity to LPHU	155,800	150,000	305,800		305,800	
Epidemiology and Laboratory Capacity to NDSU	70,000	-	70,000		70,000	
Epidemiology and Laboratory Capacity to ND Parks & Recreation	4,200	-	4,200		4,200	
		-	-			
Total Grants	**$ 836,000**	**$ 180,000**	**$ 1,016,000**	**$ -**	**$ 1,016,000**	**$ -**

North Dakota Department of Health
Medical Services
2017-19 Executive Budget

IT Equipment/Software > $5,000

Description\Narrative	Quantity	Base Price	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Arboviral automated testing system	1	58,468	58,468		58,468	
Total IT Equipment/Software > $5,000			**$ 58,468**	**$ -**	**$ 58,468**	**$ -**

North Dakota Department of Health
Medical Services
2017-19 Executive Budget

Summary of Federal & Special Funds

Federal Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Immunization Grants	4,786,624	4,459,593	(327,031)
Ryan White Grant	3,539,317	3,580,897	41,580
AIDS Prevention & Surveillance Grant	1,524,381	1,505,389	(18,992)
Epidemiology & Laboratory Capacity	1,753,668	2,508,445	754,777
Public Health Emergency Preparedness	437,961	418,302	(19,659)
Sexually Transmitted Disease (STD) Grant	267,946	288,092	20,146
Tuberculosis Grant	240,150	242,381	2,231
BioSense Grant	223,326	201,958	(21,368)
Adult Viral Hepatitis Grant	113,034	116,635	3,601
Council of State & Territorial Epidemiologists Influenza	77,366	52,445	(24,921)
University of Minnesota Occupational Health Mini Grant	14,895	200,495	185,600
Interoperability HiTech Medicaid		337,058	337,058
Hold back 1% sal increase		(1,177)	(1,177)
Unallocated Executive Compensation Package		80,946	80,946
Unallocated Removal of 1% Proposed Pay Increase		(12,808)	(12,808)
Unallocated 5% of Health Insurance Adjustment		(35,668)	(35,668)
Total Federal Funds	**$ 12,978,668**	**$ 13,942,983**	**$ 964,315**

Special Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
			-
Total Special Funds	**$ -**	**$ -**	**$ -**

SB2004
03.10.2017
#1
Job 29042

North Dakota Department of Health
Administrative Support
2017-19 Executive Budget

		2013-15 Actual Expenditures	Expend To Date Nov 2016	2015-17 Current Budget	2017-19 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES							
FTE EMPLOYEES (Number)		39.00	39.10	39.10	39.10	0.00	0%
511	Salaries	4,202,307	3,351,390	4,734,661	4,803,032	68,371	1%
513/514	Temporary, Overtime	159,731	41,457	119,392	217,552	98,160	82%
516	Benefits	1,807,122	1,402,856	2,037,551	2,164,638	127,087	6%
	TOTAL	**6,169,160**	**4,795,703**	**6,891,604**	**7,185,222**	**293,618**	**4%**
	General Fund	2,414,685	1,836,411	3,386,178	3,227,962	(158,216)	-5%
	Federal Funds	3,433,617	2,609,127	3,092,035	3,453,294	361,259	12%
	Special Funds	320,858	350,165	413,391	503,966	90,575	22%
OPERATING EXPENSES							
521	Travel	90,813	47,133	88,769	112,739	23,970	27%
531	IT - Software/Supp.	36,576	36,788	42,116	42,751	635	2%
532	Professional Supplies & Materials	12,794	16,594	13,885	14,094	209	2%
533	Food & Clothing	0	0	0	0	0	
534	Buildings/Vehicle Maintenance Supplies	3,742	64,665	61,269	3,309	(57,960)	-95%
535	Miscellaneous Supplies	4,514	22,173	27,500	28,414	914	3%
536	Office Supplies	79,189	59,591	81,019	95,238	14,219	18%
541	Postage	185,787	128,520	189,566	192,420	2,854	2%
542	Printing	47,900	27,519	45,824	47,907	2,083	5%
551	IT Equip Under $5000	31,397	10,922	38,900	37,400	(1,500)	-4%
552	Other Equip Under $5000	3,473	0	0	0	0	
553	Office Equip Under $5000	7,327	87,284	85,195	3,000	(82,195)	-96%
561	Utilities	0	0	0	0	0	
571	Insurance	31,216	45,572	47,929	47,929	0	0%
581	Lease/Rentals - Equipment	4,205	6,499	8,642	8,642	0	0%
582	Lease \Rentals-- Buildings./Land	73,622	7,670	9,070	8,437	(633)	-7%
591	Repairs	4,895	10,119	14,916	15,141	225	2%
601	IT-Data Processing	444,637	202,344	296,203	351,314	55,111	19%
602	IT-Telephone	63,682	40,461	59,105	59,777	672	1%
603	IT - Contractual Services	62,189	93,024	58,000	81,000	23,000	40%
611	Professional Development	49,824	86,283	99,029	109,501	10,472	11%
621	**Operating Fees & Services**	**26,526**	**78,345**	**70,698**	**71,763**	**1,065**	2%
623	**Professional Services**	**927,244**	**357,417**	**374,459**	**256,330**	(118,129)	-32%
625	Medical, Dental, and Optical	0		0	0	0	
	TOTAL	**2,191,552**	**1,428,923**	**1,712,094**	**1,587,106**	**(124,988)**	**-7%**
	General Fund	708,147	415,216	602,566	572,892	(29,674)	-5%
	Federal Funds	1,105,150	649,780	650,607	689,877	39,270	6%
	Special Funds	378,255	363,927	458,921	324,337	(134,584)	-29%
CAPITAL ASSETS							
683	Other Capital Payments	0		0	0	0	
684	Extraordinary Repairs	0		0	0	0	
691	Equipment >$5000	6,330	7,260	7,300	0	(7,300)	
693	IT Equip >$5000	0		0	0	0	
	TOTAL	**6,330**	**7,260**	**7,300**	**0**	**(7,300)**	
	General Fund	6,330	0	0	0	0	
	Federal Funds	0	7,260	7,300	0	(7,300)	
	Special Funds	0	0	0	0	0	
GRANTS							
712	Grants - Non State	6,470,301	4,298,464	7,243,800	9,719,640	2,475,840	34%
722	Grants - In State	311,804	0	360,740	334,000	(26,740)	-7%
	TOTAL	**6,782,105**	**4,298,464**	**7,604,540**	**10,053,640**	**2,449,100**	**32%**
	General Fund	5,805,518	3,733,077	5,833,800	4,053,017	(1,780,783)	-31%
	Federal Funds	611,587	405,387	1,410,740	909,186	(501,554)	-36%
	Special Funds	365,000	160,000	360,000	5,091,437	4,731,437	1314%
SPECIAL LINES							
-71	Tobacco Prevention/Control	0		0	0	0	
-72	WIC Food Payments	0		0	0	0	
-78	Food & Lodging IMS	0		0	0	0	
-79	Federal Stimulus Funds	0		0	0	0	
	TOTAL	**0**	**0**	**0**	**0**	**0**	
	General Fund	0		0	0	0	
	Federal Funds	0		0	0	0	
	Special Funds	0		0	0	0	
	TOTAL	**15,149,147**	**10,530,350**	**16,215,538**	**18,825,968**	**2,610,430**	**16%**
	General Fund	8,934,680	5,984,704	9,822,544	7,853,871	(1,968,673)	-20%
	Federal Funds	5,150,354	3,671,554	5,160,682	5,052,357	(108,325)	-2%
	Special Funds	1,064,113	874,092	1,232,312	5,919,740	4,687,428	380%

North Dakota Department of Health
Administrative Support
2017-19 Executive Budget

Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Legal	21,350	8,600	29,950	10,325	11,915	7,710
Audit	62,500	20,000	82,500	32,371	37,279	12,850
Misc. Professional - Strategic Plan	20,000	-	20,000	7,848	9,037	3,115
Healthy ND - Ehren's Consulting	91,800	(12,920)	78,880		78,880	
National Assn Public Hlth Stats & Info - State & Territorial Exchange of Vital Events (STEVE) System	10,000	5,000	15,000	4,954	5,756	4,290
Accreditation Preparation	103,584	(103,584)	-			
Learning Hearts State Learning Collaborative	65,225	(65,225)	-			
Cross Jurisdictional Sharing		30,000	30,000			30,000
		-	-			
Total Professional Services	**$ 374,459**	**$ (118,129)**	**$ 256,330**	**$ 55,498**	**$ 142,867**	**$ 57,965**

Information Technology Contractual Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Nexus - Reporting System Maintenance	26,000	-	26,000	10,202	11,748	4,050
Nexus - Reporting System Enhancement	32,000	23,000	55,000	21,580	24,853	8,567
Total IT Contractual Services	**$ 58,000**	**$ 23,000**	**$ 81,000**	**$ 31,782**	**$ 36,601**	**$ 12,617**

North Dakota Department of Health
Administrative Support
2017-19 Executive Budget

Grant Line Item

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Health Equity - NDSU		104,000	104,000	33,017	63,186	7,797
Primary Care Grant - UND	310,740	(80,740)	230,000		230,000	
Loan Repayment Administration - UND	50,000	(50,000)	-			
Local Public Health - State Aid	4,250,000	-	4,250,000	3,250,000		1,000,000
Local Public Health - Tobacco		3,000,000	3,000,000			3,000,000
Dental Loan Repayment Program	720,000	(120,000)	600,000	240,000		360,000
Medical Personnel Loan Repayment Program	642,800	(162,800)	480,000			480,000
Behavioral Health Loan Repayment Program	56,000	187,640	243,640			243,640
Veterinarian Loan Repayment Program	475,000	55,000	530,000	530,000		
Federal State Loan Repayment Program (SLRP)	1,100,000	(484,000)	616,000		616,000	
Total Grants	**$ 7,604,540**	**$ 2,449,100**	**$ 10,053,640**	**$ 4,053,017**	**$ 909,186**	**$ 5,091,437**

North Dakota Department of Health
Administrative Support
2017-19 Executive Budget

Summary of Federal & Special Funds

Federal Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Preventive Health Block Grant	106,800	78,880	(27,920)
Maternal and Child Health Block Grant	35,482	40,570	5,088
Public Health Emergency Preparedness Grant	500,427	509,091	8,664
Primary Care Services - Resource Coordination & Development Grant	326,930	331,619	4,689
Public Health Systems		25,935	25,935
Partnership Grant Progam to Improve Minority Health	83,112	-	(83,112)
National Center for Health Statistics/Social Security Administration	283,883	404,234	120,351
Indirect Rate Collection	2,658,823	3,043,271	384,448
Federal State Loan Repayment Program (SLRP)	1,100,000	616,000	(484,000)
Million Hearts State Learning Collaborative	65,225		(65,225)
Unallocated Executive Compensation Package		7,272	7,272
Unallocated Removal of 1% Proposed Pay Increase		(1,483)	(1,483)
Unallocated 5% of Health Insurance Adjustment		(3,032)	(3,032)
Total Federal Funds	**$ 5,160,682**	**$ 5,052,357**	**$ (108,325)**

Special Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Environmental Health Practitioner License	1,840	1,750	(90)
Vital Records Postage	150,000	150,000	-
National Association for Public Health Statistics & Information Systems	105,000	35,000	(70,000)
Gaining Ground Accreditation Grant	100,000		(100,000)
Cross Jurisdictional Sharing		30,000	30,000
Student Loan Trust Fund - Dental Loan Repayment Program	360,000	360,000	-
Tobacco Prevention & Control Trust Fund - Medical / Behavioral Health Loan Repayment Program		723,640	723,640
Tobacco Prevention & Control Trust Fund - Local Public Health		4,000,000	4,000,000
Indirect Rate Collection	300,672	404,550	103,878
UND Contract	214,800	214,800	-
Total Special Funds	**$ 1,232,312**	**$ 5,919,740**	**$ 4,687,428**

North Dakota Department of Health

2015 - 17 Executive Budget

History of Funding for Local Public Health State Aid

	2007-09	2009-11	2011-13	Biennium 2013-15	2015-17	Executive Recomm. 2017-19	Senate Budget 2017-19
General Fund	1,900,000	2,400,000	3,000,000	4,000,000	4,250,000	3,250,000	3,250,000
Tobacco Prevention & Control Trust Fund						1,000,000	2,000,000
Total	1,900,000	2,400,000	3,000,000	4,000,000	4,250,000	4,250,000	5,250,000

Department of Health
Loan Repayment Programs
2017 - 2019 Executive Budget

	2013-2015 Appropriation			2015 – 2017 Leg Approved Budget			2017 - 2019 Executive Budget				Change from 2015 -17 Leg Approved to 2017 - 19 Executive Budget			
	General Fund	CHTF	Total	General Fund	Student Loan Trust Fund	Total	General Fund	Student Loan Trust Fund	Tobacco Prevention & Control Trust Fund	Total	General Fund	Student Loan Trust Fund	Tobacco Prevention & Control Trust Fund	Total
Dental *	180,000	340,000	520,000	360,000	360,000	720,000	240,000	360,000	-	600,000	(120,000)	-	-	(120,000)
Dental New Practice*		25,000	25,000			-				-	-	-	-	-
Nonprofit/Public Health Dental *	180,000		180,000			-				-	-	-	-	-
Medical **	576,788		576,788	642,800		642,800			480,000	480,000	(642,800)	-	480,000	(162,800)
Behavioral Health **				56,000		56,000			243,640	243,640	(56,000)	-	243,640	187,640
Veterinarians	485,000		485,000	475,000		475,000	530,000			530,000	55,000	-	-	55,000
Total	1,421,788	365,000	1,786,788	1,533,800	360,000	1,893,800	770,000	360,000	723,640	1,853,640	(763,800)	-	723,640	(40,160)

* - Legislative Session 2015 - SB 2205 repealed language that created a separate loan repayment program for nonprofit / public health dentists and eliminated the dental new practice

** - Legislative Session 2015 - HB 1396 spread the funding from Medical to include Medical, Behavioral Health and Clinical Psychologists

	2013-2015 Appropriation			2015 – 2017 Leg Approved Budget			2015 - 2017 Allotment				Change from 2015 -17 Leg Approved to 2015 - 17 after Allotment			
	General Fund	CHTF	Total	General Fund	Student Loan Trust Fund	Total	General Fund	Student Loan Trust Fund	Community Health Trust Fund	Total	General Fund	Student Loan Trust Fund	Community Health Trust Fund	Total
Dental *	180,000	340,000	520,000	360,000	360,000	720,000	(355,000)		55,000	(300,000)	5,000	360,000	55,000	420,000
Dental New Practice*		25,000	25,000			-				-	-	-	-	-
Nonprofit/Public Health Dental *	180,000		180,000			-				-	-	-	-	-
Medical **	576,788		576,788	642,800		642,800	(135,000)			(135,000)	507,800	-	-	507,800
Behavioral Health **				56,000		56,000	(4,000)			(4,000)	52,000	-	-	52,000
Veterinarians	485,000		485,000	475,000		475,000	(41,000)			(41,000)	434,000	-	-	434,000
Total	1,421,788	365,000	1,786,788	1,533,800	360,000	1,893,800	(535,000)	-	55,000	(480,000)	998,800	360,000	55,000	1,413,800

SB2004
03.13.2017
#1
Job 29064

North Dakota Department of Health
House Appropriation Committee - Human Resources Division
2017 - 2019 Biennium
Overview of State Loan Repayment Programs

Program	# of yrs	Loan Amount per/yr from State	Total Loan Amount from State	Community Match Required	Total Award from State and Community	Qualifications	Priorities
Dental	5	20,000	100,000	0	100,000	Licensed, accept Medicaid and Medicare, full time	Public Health Clinics, focus underserved population, desiganted health professional shortage area
Physicians	5	20,000	100,000	50,000	150,000	Licensed, practice in specialty needed, accept Medicaid and Medicare, full time	Designated Health Professional Shortage area
Advanced Practice Registered Nurse/PA	5	4,000	20,000	2,000	22,000	Licensed, practice in specialty needed, accept Medicaid and Medicare, full time	Designated Health Professional Shortage area
Clinical Psychologist	5	12,000	60,000	15,000	75,000	Licensed, accept Medicaid and Medicare, full time	Designated Health Professional Shortage area, Federally qualified Health Center, state human service center, county soucial service office, school-based facilities, state prision, youth correctional center, etc.
Behavorial Health							
Licensed Addition Counselor	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Licensed Professional Counselor	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Licensed Social Worker	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Registered Nurse	5	4,000	20,000	2,000	22,000	Same as above	Same as above
Psychiatric Nurse Specialist	5	4,000	20,000	2,000	22,000	Same as above	Same as above

SB2004
03.13.2017
#2

Medical Personnel Loan Repayment Program

	2015-17 Executive Budget	After Allotment	2017-19 Executive Budget
General Funds	642,800	507,800	0
Special Funds	0	0	480,000
Total	**642,800**	**507,800**	**480,000**

Participants				2015-17 Executive Budget FY 2016	Pmt Date	FY 2017	Pmt Date	2017-19 Executive Budget FY 2018	Pmt Date	FY 2019	Pmt Date
		PHYSICIANS:									
Fargo	Christopher DeCock	FY 14	#1								
Williston	David Keene		#2								
Dickinson	Heather Martin		#3								
Dickinson	Brook Nelson		#4								
Willistion	Seiwert, Ryan	FY 15	#1	22,500	Jun-16						
Hettinger	Ranum, Josh		#2	22,500	Apr-16						
Rugby	Kremer, Ashley		#3	22,500	Jun-16						
Dickinson	Ricks, Marc		#4	22,500	Apr-16						
Hettinger	Ranum, Carrie		#5	22,500	Apr-16						
Dickinson	Sheps, Daniel		#6	18,800	Apr-16						
Bismarck	Armstrong, Lacey		#7	22,500	Jun-16						
		MID LEVEL:									
Hazen	Czywcznski, Heather	FY 15	#1	7,500	Apr-16						
Hazen	Volk, Robert		#2	5,000	Apr-16						
Minot, New Town, Garrison, Velva	Pease, Carla		#3	7,500	Apr-16						
Jamestown	Hoffman, Leah		#4	7,500	Apr-16						
			Subtotal	**$181,300**		**$0**					
	PRIOR BIENNIUM LOANS TOTAL					**$181,300**					
		PHYSICIANS:									
Hettinger	Tracey Boschee, DO	FY 16	#1	22,500	Jun-16	22,500	Jun-17				
Dickinson	Nicholas Hayes, MD		#2		Jun-16		Jun-17				
Fargo	Cindy Sondag, MD		#3	22,500	Jun-16	22,500	Jun-17				
Bismarck	Kyle Ellingson, MD		#4	22,500	Jun-16	22,500	Jun-17				
	no applicant		#5	0	Jun-16	0	Jun-17				
	no applicant		#6	0	Jun-16	0	Jun-17				
Willistion	Yolanda Newton, MD	FY 17	#1			20,000	Jun-17				
Fargo SEHSC	Molly Orcutt-Woods, DO		#2			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Devils Lake	Stephanie Foughty, MD		#3			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Minot	Jacqueline Bell, DO		#4				Jun-17				
Minot	Michael Dallolio, ND		#5			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19

Participants				2015-17 Executive Budget FY 2016	Pmt Date	FY 2017	Pmt Date	2017-19 Executive Budget FY 2018	Pmt Date	FY 2019	Pmt Date
		MID LEVEL:									
Williston	Evonne Hickok, FNP-C	FY 16	#1	7,500	Jun-16	7,500	Jun-17				
Northwood	Heidi Jo Shannon, FNP-C		#2	7,500	Jun-16	7,500	Jun-17				
Bottineau	Chassidy Sharp, FNP		#3	7,500	Jun-16	7,500	Jun-17				
Hazen	Hannah Hauff, PA-C		#4		Jun-16		Jun-17				
Jamestown	Tania M. Busch, FNP-C		#5	6,450	Jun-16	6,450	Jun-17				
Underwood/Wash	Kerri Benning, FNP-C	FY 17	#1			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Mohall	Ruth Stanley, FNP-C		#2			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Crosby	Christine Knudsvig, ANP		#3			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Elgin	Arthur Renner, PA-C		#4			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
			Subtotal	**$96,450**		**$192,450**		**$76,000**		**$76,000**	
	CURRENT BIENNIUM LOANS TOTAL					**$288,900**				**$152,000**	
		PHYSICIANS:									
	New Physician Contracts (4)	FY18						80,000	Jun-18	80,000	Jun-19
	New Physician Contracts (4)	FY19								80,000	Jun-19
		MID LEVEL:									
	New Midlevel Contracts (4)	FY18						16,000	Jun-18	16,000	Jun-19
	New Midlevel Contracts (4)	FY19								16,000	Jun-19
			Subtotal					**$96,000**		**$192,000**	
	PROPOSED 2017-19 LOANS TOTAL									**$288,000**	
TOTAL MEDICAL PERSONNEL LOAN REPAYMENT PROGRAM						**$470,200**				**$440,000**	

Dental Loan Repayment Program

	2015-17 Executive Budget	After Allotment
General Funds	360,000	5,000
Special Funds	360,000	415,000
Total	720,000	420,000

	2017-19 Executive Budget
General Funds	240,000
Special Funds	360,000
Total	600,000

Participants				2015-17 Executive Budget FY 2016	Pmt Date	FY 2017	Pmt Date	2017-19 Executive Budget FY 2018	Pmt Date	FY 2019	Pmt Date
Carrington	Benjamin Garr	FY13	#1	20,000	Jan-16	20,000	Jan-17				
Williston	Jeremy Messer		#2	20,000	Jan-16	20,000	Jan-17				
Cavalier	Sterling Stevens		#3	20,000	Jan-16		Jan-17				
			Subtotal	**$60,000**		**$40,000**					
						$100,000					
Watford City	Lucas Allen - **left ND 2015**	FY 14	#1	0	Jun-16	0	Jun-17				
Watford City	Narek Ovsepian - **left ND 2015**		#2	0	Jun-16	0	Jun-17				
New Rockford	Amy Holtan-Ellingson		#3	20,000	Jun-16	20,000	Jun-17				
Watford City	Bennion Allen, Julia - **left ND 2015**	FY 15	#1	0	Jun-16	0	Jun-17				
Minot	Hensen, Jerik		#2	20,000	Jun-16	20,000	Jun-17	20,000	Jun-18		
Fargo/Grand Forks	Trout, Carl		#3	20,000	Jun-16	20,000	Jun-17	20,000	Jun-18		
			Subtotal	**$60,000**		**$60,000**		**$40,000**		**$0**	
	PRIOR BIENNIUM LOANS TOTAL					**$120,000**				**$40,000**	
Turtle Lake	Whitney Bruins, DDS	FY 16	#1		Jun-16		Jun-17		Jun-18		Jun-19
Beulah	Jessica Weiss, DDS		#2	20,000	Jun-16	20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Williston	Jordan York, DDS		#3	20,000	Jun-16	20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Watford City	Monti Bulzomi, DDS	FY 17	#1			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Bowman	Weston Hafner, DDS		#2			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Harvey	Clinton Miller, DDS		#3			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Dickinson	Samuel Sticka, DMD		#4			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Dickinson	April Robinson, DMD		#5			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Bismarck	Drew Goebel, DDS		#6			20,000	Jun-17	20,000	Jun-18	20,000	Jun-19
Bis. Bridging Dental Gap	Alexa Carlson, DDS		#7								
Bis. Bridging Dental Gap	Sarah Mertz, DDS		#8								
			Subtotal	**$40,000**		**$160,000**		**$160,000**		**$160,000**	
	CURRENT BIENNIUM LOANS TOTAL					**$200,000**				**$320,000**	
	New Dental Contracts (4)	FY18						80,000	Jun-18	80,000	Jun-19
	New Dental Contracts (4)	FY19								80,000	Jun-19
			Subtotal					**$80,000**		**$160,000**	
	PROPOSED 2017-19 LOANS TOTAL									**$240,000**	
TOTAL DENTAL PERSONNEL LOAN REPAYMENT PROGRAM						**$420,000**				**$600,000**	

Veterinarian Loan Repayment Program

	2015-17 Executive Budget	After Allotment	2017-19 Executive Budget
General Funds	475,000	434,000	530,000
Special Funds			
Total		434,000	530,000

Participants				2015-17 Executive Budget				2017-19 Executive Budget			
				FY 2016	Pmt Date	FY 2017	Pmt Date	FY 2018	Pmt Date	FY 2019	Pmt Date
Beulah	Mary Green,DVM	FY 11	#1								
Sheridan Co	Nadine Tedford, DVM		#2								
Ransom Co	Charly Stansbery, DVM		#3								
Oakes	Collin W. Galbreath, DVM	FY 12	#1								
New Salem	Leslie Marie Henderson, DVM was New Salem now El		#2								
Cooperstown	Kristen Klein, DVM		#3								
Ashley	Brian Watkins	FY 13	#1	25,000	Feb-16						
Beach	Angela Hall Steinley, DVM		#2	25,000	Feb-16	8,945	Feb-17				
New Rockford	Trisa Tedrow		#3	25,000	Feb-16	25,000	Feb-17				
			Subtotal	**$75,000**		**$33,945**					
	PRIOR BIENNIUM LOANS TOTAL					**$108,945**					
Steele	Christina Burgard, Steele	FY 14	#1	15,000	Mar-16	25,000	Mar-17	25,000	Mar-18		
NDSU	Brent Webb, NDSU		#2	15,000	Apr-16	25,000	Apr-17				
Watford City	Seth Neinhueser, Watford City		#3	15,000	Mar-16	25,000	Mar-17	25,000	Mar-18		
Hettinger	Lindy West, Hettinger		#4	15,000	Mar-16	25,000	Mar-17	25,000	Mar-18		
Towner	Clayton Thorson	FY 15	#1	15,000	Aug-15	15,000	Feb-17	25,000	Feb-18	25,000	Feb-19
Beulah	Casey Cloutier		#2	15,000	Aug-15	15,000	Feb-17	25,000	Feb-18	25,000	Feb-19
Beulah	Adrien Cloutier		#3	15,000	Aug-15	15,000	Feb-17	25,000	Feb-18	25,000	Feb-19
W Burleigh / E Morton	Tyler Bennett		#4	15,000	Aug-15	15,000	Feb-17	25,000	Feb-18	25,000	Feb-19
			Subtotal	**$120,000**		**$160,000**		**$175,000**		**$100,000**	
	PRIOR BIENNIUM LOANS TOTAL					**$280,000**				**$275,000**	
	NEW LOANS										
Ashley	Andrew Ludvigson, DVM	FY 16	#1			15,000	Oct-16	15,000	Mar-18	25,000	Mar-19
McClusky	Andrea Schlafmann, DVM		#2			15,000	Oct-16	15,000	Mar-18	25,000	Mar-19
Steele	Nickolas Hart, DVM		#3			15,000	Oct-16	15,000	Mar-18	25,000	Mar-19
New Salem	Blake Aiton, DVM	FY 17	#1					15,000	Oct-17	15,000	Mar-19
Glen Ullin	Colin Bell, DVM	FY 17	#2					15,000	Oct-17	15,000	Mar-19
Mandan / surrding counties	Andrea Rusch, DMV	FY 17	#3					15,000	Oct-17	15,000	Mar-19
			Subtotal	$ -		$ 45,000		$ 90,000		$ 120,000	
	CURRENT BIENNIUM LOANS TOTAL					**$45,000**				**$210,000**	
	New Vet Contracts (3)	FY18								45,000	Oct-18
	New Vet Contracts (3)	FY19									
			Subtotal					**$0**		**$45,000**	
	PROPOSED 2017-19 LOANS TOTAL									**$45,000**	
TOTAL VETERINARIAN LOAN REPAYMENT PROGRAM						**$433,945**				**$530,000**	

Behavioral Health Loan Repayment Program

	2015-17 Executive Budget	After Allotment		2017-19 Executive Budget
General Funds	56,000	52,000	General Funds	
Special Funds		0	Special Funds	243,640
Total		52,000	Total	243,640

Participants				2015-17 Executive Budget FY 2016	Pmt Date	FY 2017	Pmt Date	2017-19 Executive Budget FY 2018	Pmt Date	FY 2019	Pmt Date
LSW, Licensed Prof. Couns. Addiction Couns.,RN, LPNs											
Minot	Kiley Andreas	FY 17	#1			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Fort Totten/ DL	Lisa Shuster, LICSW		#2			4,000	Jun-17	3,377	Jun-18		Jun-19
State Hospital - James	Leigh McKenzie, RN		#3			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Walsh Co Social Servi	Seri Gerszewski, LSW		#4			4,000	Jun-17	4,000	Jun-18	3,006	Jun-19
Sentinnel Butte Home	Jodi Ebel, LAC		#5			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Sentinnel Butte Home	Jessica Veroline, LICSW		#6								
Sentinnel Butte Home	Tara Losinski, LAC		#7			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Dickinson HS	Lauren Roemmich, LCSW		#8			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Jamestown SCHSC	Chelsea Modlin, LCSW		#9			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Bismarck - State Pen	Brian Williams, LAC		#10			4,000	Jun-17	4,000	Jun-18	1,257	Jun-19
Mandan Youth Correct	Jenna Johnson, LPC		#11			4,000	Jun-17	4,000	Jun-18	4,000	Jun-19
Psychologists											
Fargo	Robyn Maley, PsyD	FY 17	#1			12,000	Jun-17	12,000	Jun-18	12,000	Jun-19
	not filled - expended above		#2					0		0	
	not filled - expended above		#3					0		0	
			Subtotal	**$0**		**$52,000**		**$51,377**		**$44,263**	
	CURRENT BIENNIUM LOANS TOTAL					**$52,000**				**$95,640**	
LSW, Licensed Prof. Couns. Addiction Couns.,RN, LPNs											
	New Behavioral Health Contracts (6)	FY18						24,000	Jun-18	24,000	Jun-19
	New Behavioral Health Contracts (6)	FY19								24,000	Jun-19
Psychologists											
	New Psychologist Contracts (2)	FY18						24,000	Jun-18	24,000	Jun-19
	New Psychologist Contracts (2)	FY19								24,000	Jun-19
			Subtotal					**$48,000**		**$96,000**	
	PROPOSED 2017-19 LOANS TOTAL									**$144,000**	
TOTAL BEHAVIORAL HEALTH LOAN REPAYMENT PROGRAM						**$52,000**				**$239,640**	

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North Dakota Department of Health
Community Health
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		2013-15 Actual Expenditures	Expend To Date Nov 2016	2015-17 Current Budget	2017-19 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES							
FTE EMPLOYEES (Number)		**54.75**	**0.00**	**54.65**	**54.65**	**0.00**	**0%**
511	Salaries	4,597,571	3,723,290	5,223,879	5,289,344	65,465	1%
513/514	Temporary, Overtime	76,822	176,111	755,488	334,668	(420,820)	-56%
516	Benefits	1,882,700	1,574,394	2,411,770	2,572,895	161,125	7%
	TOTAL	**6,557,093**	**5,473,795**	**8,391,137**	**8,196,907**	**(194,230)**	**-2%**
	General Fund	1,544,687	669,120	1,998,313	2,001,988	3,675	0%
	Federal Funds	4,924,099	4,762,878	6,301,754	6,108,220	(193,534)	-3%
	Special Funds	88,307	41,797	91,070	86,699	(4,371)	-5%
OPERATING EXPENSES							
521	Travel	381,890	408,580	682,679	690,981	8,302	1%
531	IT - Software/Supp.	103,491	64,199	112,124	120,625	8,501	8%
532	Professional Supplies & Materials	344,495	169,953	352,345	362,299	9,954	3%
533	Food & Clothing	148,270	100,758	188,600	191,438	2,838	2%
534	Buildings/Vehicle Maintenance Supplies	1,557	5,051	902	917	15	2%
535	Miscellaneous Supplies	23,115	52,788	41,640	42,267	627	2%
536	Office Supplies	56,908	31,917	58,808	50,094	(8,714)	-15%
541	Postage	46,112	29,537	53,958	49,489	(4,469)	-8%
542	Printing	204,960	125,679	199,957	207,846	7,889	4%
551	IT Equip Under $5000	40,478	27,302	37,190	62,550	25,360	68%
552	Other Equip Under $5000	19,967	0	6,500	18,200	11,700	180%
553	Office Equip Under $5000	16,262	3,901	3,990	2,625	(1,365)	-34%
561	Utilities	0	0	0	0	0	
571	Insurance	0	0	0	0	0	
581	Lease/Rentals - Equipment	8,283	6,509	14,809	12,289	(2,520)	-17%
582	Lease \Rentals-- Buildings./Land	197,169	128,484	209,056	237,788	28,732	14%
591	Repairs	1,226	1,124	1,804	10,165	8,361	463%
601	IT-Data Processing	199,417	140,548	259,812	345,737	85,925	33%
602	IT-Telephone	98,324	72,798	139,864	117,496	(22,368)	-16%
603	IT - Contractual Services	401,297	331,617	540,312	583,485	43,173	8%
611	Professional Development	99,610	95,852	140,281	128,954	(11,327)	-8%
621	**Operating Fees & Services**	**238,063**	**303,484**	**333,530**	**170,358**	**(163,172)**	-49%
623	**Professional Services**	**4,051,177**	**2,451,056**	**7,585,314**	**7,037,373**	(547,941)	-7%
625	Medical, Dental, and Optical	36,561	37,451	106,384	78,964	(27,420)	-26%
	TOTAL	**6,718,632**	**4,588,588**	**11,069,859**	**10,521,940**	**(547,919)**	**-5%**
	General Fund	879,582	510,139	1,124,320	978,888	(145,432)	-13%
	Federal Funds	5,527,671	3,723,069	8,848,993	8,185,922	(663,071)	-7%
	Special Funds	311,379	355,380	1,096,546	1,357,130	260,584	24%
CAPITAL ASSETS							
683	Other Capital Payments	0	0	0	0	0	
684	Extraordinary Repairs	0	0	0	0	0	
691	Equipment >$5000	19,137	0	0	18,750	18,750	100%
693	IT Equip >$5000	0	0	0	0	0	
	TOTAL	**19,137**	**0**	**0**	**18,750**	**18,750**	**100%**
	General Fund	0	0	0	0	0	
	Federal Funds	19,137	0	0	18,750	18,750	100%
	Special Funds	0	0	0	0	0	
GRANTS							
712	Grants - Non State	17,609,126	12,078,547	22,914,014	22,531,036	(382,978)	-2%
722	Grants - In State	304,290	171,176	347,060	330,042	(17,018)	-5%
	TOTAL	**17,913,416**	**12,249,723**	**23,261,074**	**22,861,078**	**(399,996)**	**-2%**
	General Fund	4,269,907	2,357,821	4,900,543	4,177,343	(723,200)	-15%
	Federal Funds	13,204,025	9,556,327	17,730,531	17,978,342	247,811	1%
	Special Funds	439,484	335,575	630,000	705,393	75,393	12%
SPECIAL LINES							
-71	Tobacco Prevention/Control	5,520,815	3,425,420	6,910,177	5,686,881	(1,223,296)	-18%
-72	WIC Food Payments	18,005,616	13,090,357	20,200,000	20,200,000	0	0%
-78	Food & Lodging IMS	0	0	0	0	0	
-79	Federal Stimulus Funds	0	0	0	0	0	
	TOTAL	**23,526,431**	**16,515,777**	**27,110,177**	**25,886,881**	**(1,223,296)**	**-5%**
	General Fund	0	0	0	0	0	
	Federal Funds	20,297,663	14,314,800	23,169,313	22,186,881	(982,432)	-4%
	Special Funds	3,228,768	2,200,977	3,940,864	3,700,000	(240,864)	-6%
	TOTAL	**54,734,709**	**38,827,883**	**69,832,247**	**67,485,556**	**(2,346,691)**	**-3%**
	General Fund	6,694,176	3,537,080	8,023,176	7,158,219	(864,957)	-11%
	Federal Funds	43,972,595	32,357,074	56,050,591	54,478,115	(1,572,476)	-3%
	Special Funds	4,067,938	2,933,729	5,758,480	5,849,222	90,742	2%

North Dakota Department of Health
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Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Cancer Prevention Division						
Legal- Attorney General	7,199	(2,144)	5,055		5,055	
Women's Way-Blue Cross Blue Shield	1,012,302	-	1,012,302		1,012,302	
Women's Way-Local Public Health Units (CHTF)	1,432,745	13,664	1,446,409		1,116,909	329,500
Women's Way-Clearwater Behavioral Risk Survey		20,000	20,000		20,000	
Women's Way Awareness and Interviewing Training		45,000	45,000		45,000	
Women's Way-Provider Regional Roundtables		20,000	20,000		20,000	
Colorectal Cancer Screening Initiative-Contractor/Training (Tob Prev)	36,000	(24,000)	12,000			12,000
Colorectal Cancer Screening Initiative-Blue Cross Blue Shield (Tob Prev)		325,800	325,800			325,800
Colorectal Cancer Professional Fees	460,000	(460,000)	-			
Behavioral Risk Survey - Clearwater (CHTF)	675,000	159,116	834,116		363,616	470,500
Cancer Registry Contract-UND (Tob Prev)	98,000	-	98,000			98,000
Comprehensive Cancer Control-Clearwater Behavioral Risk Survey	-	20,000	20,000		20,000	
Comprehensive Cancer Control-Interviewing Training	-	20,000	20,000		20,000	
Comprehensive Cancer Control-Trainer Contracts	40,000	80,000	120,000		120,000	
Comprehensive Cancer Control-Graphic Support	4,000	8,000	12,000		12,000	
Chronic Disease Division						
DHDOSH- Consultation (Kim Crawford)	113,100	-	113,100		113,100	
DHDOSH-MediQHome Program/Hypertension Project (BCBS)	75,000	(75,000)	-		-	
DHDOSH-Consultation (Universities)	49,000	(49,000)	-		-	
DHDOSH-Hypertension Summit		20,000	20,000		20,000	
DHDOSH-Website development/maintenance for Heart Program		20,000	20,000		20,000	
Family Health Division						
Legal- Attorney General	8,000	(4,000)	4,000	1,505	2,495	
DentaQuest Evaluation	60,000	(60,000)	-			
DentaQuest Oral Health Coalition/Facilitation	80,000	(80,000)	-			
DentaQuest Older Adult Program Implementation		34,972	34,972			34,972
Newborn Screening Consultation	51,160	-	51,160	51,160		
Newborn Screening Initiative-Health Care Provider Education		137,000	137,000		137,000	
Newborn Screening Initiative-Media		108,000	108,000		108,000	
Family Planning-Clinical Consultation	30,000	2,400	32,400		32,400	
Family Planning-Medical Director	8,800	(3,200)	5,600		5,600	
Family Planning-Data Software Support	51,200	2,000	53,200		53,200	
Family Planning-Media	20,000	(20,000)	-			
Maternal & Child Health Block Grant (MCH)-Misc Professional Services and Consultation	40,000	(20,000)	20,000	8,600	11,400	
Maternal & Child Health Block Grant (MCH) Newborn Screening Medical Director	24,000	(4,000)	20,000	8,600	11,400	
CDC Oral Health Communication	30,000	(30,000)	-			
CDC Oral Health Program Evaluator	61,200	(61,200)	-			
CDC Oral Health Infection Control Presenter	3,500	(3,500)	-			
CDC Oral Health Basic Screening Survey	47,460	(47,460)	-			
School Health-Evaluation/Speakers	6,000	(6,000)	-			
Miscellaneous Professional Services	1,000	(1,000)	-			
Sudden Infant Death Syndrome Tribal Consultant	5,000	5,000	10,000			10,000
HRSA Oral Health Mobilization-Program Evaluator	30,000	(30,000)	-			
HRSA Oral Health Mobilization-Service Providers	30,000	(30,000)	-			
HRSA Workforce Activities-Program Evaluator	21,720	(21,720)	-			
Telehealth Network Training to schools on network		27,776	27,776		27,776	

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Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Injury Prevention Division						
Legal- Attorney General	10,668	(9,168)	1,500	645	855	
DOT Child Safety-Consultation	104,000	(30,000)	74,000		74,000	
Poison Control Hotline	189,000	-	189,000	189,000		
Childhood Falls Prevention - Train the Trainer	15,000	(15,000)	-			
Suicide Prevention-Training and Evaluation	50,000	-	50,000	50,000		
Suicide Prevention-Media Campaign	100,000	-	100,000	100,000		
Sexual Violence Prevention & Educ-Empowerment Evaluator	100,000	28,000	128,000		128,000	
Falls Prevention Evidence Based Workshop		12,000	12,000		12,000	
Maternal & Child Health Block Grant (MCH)-Impact Teen Drivers Impact Training	-	10,000	10,000		10,000	
Garrett Lee Smith Suicide-Training Simulations & Curriculum	325,000	(325,000)	-			
Garrett Lee Smith Suicide-Media Campaign	75,000	(75,000)	-			
Nutrition and Physical Activity Division						
Legal- Attorney General	20,000	(10,000)	10,000		10,000	
Preventative Health Block Grant (PHBG) Accreditation	10,000	(10,000)	-			
PHBG Chaplaincy	32,000	-	32,000		32,000	
PHBG Nat'l Diabetes Prevention consultant and training	38,000	-	38,000		38,000	
PHBG Special Initiatives	80,000	-	80,000		80,000	
PHBG Consultants Baby Friendly Hospital	100,000	(60,000)	40,000		40,000	
PHBG Speaker/Consultant	12,000	28,000	40,000		40,000	
PHBG Public Health Capacity Training for State & Local PH Staff		48,000	48,000		48,000	
PHBG Worksite Wellness Summit Support	5,000	5,000	10,000		10,000	
WIC-Nutrition Education Service	21,000	1,000	22,000		22,000	
WIC-Miscellaneous Professional Services	2,400	100	2,500		2,500	
WIC-Training/Speaker	10,000	-	10,000		10,000	
WIC-Automated Appointment Reminder Calendar (One Call)		123,700	123,700		123,700	
WIC EBT Implementation Quality Assurance contractor	315,000	-	315,000		315,000	
WIC EBT Implementation service provider	578,160	113,060	691,220		691,220	
WIC EBT Project Management / Support	207,000	-	207,000		207,000	
WIC EBT MIS Upgrade	250,000	(250,000)	-			
WIC MIS Upgrade	123,700	(123,700)	-			
WIC MIS Apgar support		30,000	30,000		30,000	
Bush Foundation - Hunger Summit Consultant	25,000	5,000	30,000			30,000
DHDOSH-Diabetes	140,000	(85,000)	55,000		55,000	
DHDOSH-School Physical Activity/Nutrition		20,000	20,000		20,000	
Children Special Health Services Division						
Legal- Attorney General	2,000	(437)	1,563	1,563		
Autism Report and Resource Development	25,000	(25,000)	-			
Maternal & Child Health Block Grant (MCH)-Family Advisor Consultants		4,500	4,500	1,935	2,565	
Maternal & Child Health Block Grant (MCH)-County Social Service and Training Speakers		2,000	2,000	860	1,140	
MCH Graphic Support / Report & Resource development	9,000	3,500	12,500	5,375	7,125	
Total Professional Services	**$ 7,585,314**	**$ (547,941)**	**$ 7,037,373**	**$ 419,243**	**$ 5,307,358**	**$ 1,310,772**

North Dakota Department of Health
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Information Technology Contractual Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Colorectal Cancer Database Maintenance (Tob Prev)	2,500	2,500	5,000			5,000
Women's Way Website Maintenance		1,680	1,680		1,680	
Women's Way System Development	9,100	(9,100)	-			
Comp Cancer Website Maintenance	2,500	1,680	4,180		4,180	
Behavioral Risk Factor Surveillance System Website Maintenance		61,680	61,680		61,680	
DHDOSH Website Maintenance	10,600	(10,600)	-			
CDC Oral Health Website Development	23,800	(23,800)	-			
CDC Oral Health Website Maintenance		1,680	1,680		1,680	
Newborn Screening Website Maintenance		1,680	1,680	722	958	
WIC IT System Maintenance and Operations	200,000	15,700	215,700		215,700	
ND System EBT upgrade	250,000	-	250,000		250,000	
Maintenance of Autism Model	41,812	73	41,885	41,885		
Total IT Contractual Services	**$ 540,312**	**$ 43,173**	**$ 583,485**	**$ 42,607**	**$ 535,878**	**$ 5,000**

North Dakota Department of Health
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Grant Line Item

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Cancer Prevention Division						
Comprehensive Cancer	78,000	49,610	127,610		127,610	
Colorectal Grants - Screening, Diagnostic & Related Services	685,200	(510,585)	174,615			174,615
Colorectal Cancer Grant	565,500	(565,500)	-			
Women's Way	-	160,385	160,385		160,385	
Chronic Disease Division						
Diabetes, Heart Disease, Stroke, Obesity, School Health	317,873	(5,624)	312,249		312,249	
Family Health Division						
Family Planning	1,592,000	(93,529)	1,498,471		1,498,471	
Maternal and Child Health Block	1,706,533	(190,192)	1,516,341		1,516,341	
Fetal Alcohol Program-UND	388,458	(38,000)	350,458	350,458		
DentaQuest	290,000	(99,222)	190,778			190,778
Donated Dental Services	50,000	-	50,000	50,000		
Mobile Dental Care	100,000	-	100,000	100,000		
Oral Health Mobilization	292,000	(292,000)	-			
Oral Health Workforce Activities	355,759	31,215	386,974		386,974	
Abstinence	113,000	67,963	180,963		180,963	
Oral Health Disease Prevention		91,200	91,200		91,200	
Pregnancy Risk Assessment Monitoring System		265,000	265,000		265,000	
Telehealth Network Setup		459,937	459,937		459,937	
Injury Prevention Division						
Domestic Violence	2,250,000	-	2,250,000	1,910,000		340,000
Family Violence	1,398,385	41,312	1,439,697		1,439,697	
Sexual Violence Prevention and Education	231,429	11,649	243,078		243,078	
Sexual Assault Services	513,850	149,949	663,799		663,799	
STOP Violence	1,493,058	81,130	1,574,188		1,574,188	
Safe Havens	425,000	-	425,000	425,000		
Suicide Prevention	830,000	-	830,000	830,000		
Garrett Lee Smith Suicide Prevention	851,722	(851,722)	-			
Child Passenger Safety Outreach		40,000	40,000		40,000	
Maternal and Child Health Block-Impact Teen Drivers Program		160,000	160,000		160,000	
Nutrition and Physical Activity Division						
Women, Infant & Children Program (WIC)	6,704,200	300,315	7,004,515		7,004,515	
WIC Peer Counseling	302,660	(77,660)	225,000		225,000	
Preventive Health Block Grant-Community Grants for Chronic Disease Prevention and Control to Local Public Health & for Program Evaluation	300,000	24,000	324,000		324,000	
Diabetes, Heart Disease, Stroke, Obesity, School Health - Worksite Wellness, Early Childhood Education Physical Activity and Nutrition Policies, School Health Activities, Grant to Public Instruction, Grant to NDSU for Diabetes Prevention Program, Diabetes Self-Management Education and Diabetes Grants to Health Systems	150,807	390,373	541,180		541,180	
WIC Electronic Benefits Transfer (EBT)	35,000	-	35,000		35,000	
Children Special Health Services Division						
Catastrophic Relief Funds	75,000	-	75,000	75,000		
Maternal and Child Health Block - Multidisciplinary Clinics, Specialty Care Diagnostic & Treatment Program, Grants to County Social Services	1,165,640	-	1,165,640	436,885	728,755	
Total Grants	**$ 23,261,074**	**$ (399,996)**	**$ 22,861,078**	**$ 4,177,343**	**$ 17,978,342**	**$ 705,393**

North Dakota Department of Health
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Equipment > $5,000

Description\Narrative	Quantity	Base Price	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Portable Aseptico Dental Express II with compressor	3	6,250	18,750		18,750	
			-			
Total Equipment > $5,000			**$ 18,750**	**$ -**	**$ 18,750**	**$ -**

North Dakota Department of Health
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Summary of Federal & Special Funds

Federal Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)	
Women's Way	2,885,030	3,484,464	599,434	
Comprehensive Cancer	665,801	920,603	254,802	
Cancer Management Leadership Coordination	84,807	-	(84,807)	
Colorectal Cancer	1,500,682	-	(1,500,682)	
Behavioral Risk Factor Surveillance System (BRFSS)	372,181	600,000	227,819	
Diabetes, Heart Disease, Stroke, Obesity and School Health (DHDOSH)	2,097,337	2,213,595	116,258	
Family Planning Services	2,112,865	2,023,269	(89,596)	
Maternal and Child Health Services Block Grant (MCH)	4,357,816	4,066,033	(291,783)	
Oral Disease Prevention Program	593,175	614,017	20,842	
DHS New Parent Newsletter	7,500	7,500	-	
School Health	77,873		(77,873)	
Oral Health Workforce Activities	548,366	851,436	303,070	
Pregnancy Risk Assessment Monitoring System (PRAMS)	-	334,225	334,225	
Oral Health Mobilization	734,355		(734,355)	
Abstinence	117,845	179,588	61,743	
Newborn Screening		300,000	300,000	
Telehealth Network Grant		507,055	507,055	
Family Violence & Prevention Services Grant	1,460,124	1,509,294	49,170	
Child Safety Program	294,989	291,876	(3,113)	
STOP Violence Against Women Formula Grants	1,648,449	1,733,644	85,195	
Sexual Violence Prevention and Education	348,218	399,896	51,678	
Consumer Product Safety	1,700	4,696	2,996	
Sexual Assault Service Grant Program	538,950	696,096	157,146	
Falls for Older Adults		86,123	86,123	
Garrett Lee Smith Suicide	1,445,604		(1,445,604)	
Safe Routes to Schools		61,426	61,426	
Women, Infant and Children (WIC) - Supplemental Food/Admin Services	28,157,280	28,544,878	387,598	
WIC - Electronic Benefits Transfer (EBT) Implementation	1,745,160	1,739,220	(5,940)	
WIC - Management Information Systems Upgrade (MIS)	123,700		(123,700)	
WIC - Peer Counseling	302,660	249,477	(53,183)	
Breastfeeding Collaboration		60,000	60,000	
Preventive Health Block Grant	646,624	808,090	161,466	
State Systems Development Initiative (SSDI)	212,187	215,904	3,717	
Hold back 1% salary increase		(36,524)	(36,524)	
Unallocated Executive Compensation Package		93,233	93,233	
Unallocated Removal of 1% Proposed Pay Increase		(19,353)	(19,353)	
Unallocated 5% of Health Insurance Adjustment		(48,527)	(48,527)	
CDC Tobacco	2,969,313	1,756,881	(1,212,432)	*
Quitline Capacity		100,000	100,000	*
Medicaid Quitline Match		130,000	130,000	*
Total Federal Funds	**$ 56,050,591**	**$ 54,478,115**	**$ (1,572,476)**	

Special Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)	
Women's Way - Community Health Trust Fund (CHTF)	400,000	329,500	(70,500)	
BRFSS (CHTF)	496,000	470,500	(25,500)	
BRFSS	24,500	-	(24,500)	
Colorectal Cancer		519,207	519,207	
Cancer Registry		98,000	98,000	
Equity Increase (previously funded with general fund)		27,597	27,597	
Unallocated Executive Compensation Package		3,018	3,018	
Unallocated Removal of 1% Proposed Pay Increase		(155)	(155)	
Unallocated 5% of Health Insurance Adjustment		(1,499)	(1,499)	
DentaQuest	494,056	295,624	(198,432)	
Sudden Infant Death Syndrome (SIDS)	10,000	10,000	-	
Hold back 1% of salary increase		(630)	(630)	
Domestic Violence Fund	340,000	340,000	-	
Bush Foundation Community Innovation	25,000	30,000	5,000	
At Cost Metabolic Medical Food Orders (PKU)	28,060	28,060	-	
Tobacco (CHTF)	3,440,864	3,200,000	(240,864)	*
Tobacco CDC Best Practice (Tobacco Prevention & Control Trust Fund)	500,000	500,000	-	*
			-	
Total Special Funds	**$ 5,758,480**	**$ 5,849,222**	**$ 90,742**	

* These funds are in the Tobacco Prevention and Control Special Line Item

SB 2004
03.14.2017
#1
Job 29133

Ronald McDonald Care Mobile Service Delivery Summary
January – December 2016 (5th year of Service)

Aggregate Data

Number of Sites: 45 (40 in 2015)
Total number of children seen: 1,056 (968 in 2015 - 9% increase)
Total number of visits/encounters: 2,203 (1,963 in 2015)
Total number of services provided: 8,438 (8,094 in 2015)
Total value of treatment provided: $522,921 ($442,241 in 2015)

Individual Data

Average value of services provided per child: $495.10 ($456.86 in 2015)
Average cost per child to deliver services: $575.68 ($642.48 in 2015)
Average number of visits per child: 1.92 (2.03 in 2015)
Average number of services per child: 7.99 (8.36 in 2015)

School Based Sealant (SBS) Program funded by HRSA Grant through Dept. of Health: additional 471 children treated with 1,535 services = value of $57,840

Detail of Services provided:

Diagnostic	Number Provided	Preventive	Number Provided	Restorative/Surgical	Number Provided
Exams	837	Oral health education	986	Fillings	1,362
X-rays	989	Cleanings	742	Stainless Steel Crowns	21
Caries Risk Assess	646	Fluoride Treatments	721	Extractions	129
		Sealants	2,576	Pulpotomies	26
		SBS Sealants	1,090	Other	48
Referrals	64	SBS Fluoride Varnish	445		

Demographics

Race/Ethnicity

Caucasian	23%
Native American	71%
African American	2%
Hispanic	3%
Asian	<1%
Mixed Race/Other	<1%

Grade

Pre-K	3%
K-6	66%
7-9	10%
10-12	11%
13+	1%
NA	9%

Age

0-2	3%
3-5	12%
6-8	33%
9-11	27%
12-14	10%
15-17	10%
18-21	5%

Gender

Males	51%
Females	49%

Payor Source

24% Medicaid
4% Private insurance
72% Uninsured

Communities Served

Bismarck – 9 weeks
Mandan – 2 weeks
Fort Yates – 9 weeks
Cannon Ball – 2 weeks
Mott – 1 week
Raleigh – 1 week
Hazelton – 2 weeks
New England – 1 week
Selfridge – 1 week
Minot – 3 weeks
New Town – 2 weeks
Hebron – 1 week
Tappen/Steele – 1 week)
Belcourt – 3 weeks
St. John – 1 week

Service delivery days: 179 (45 sites)
Out of service days: 5 (due to weather, road closures)

Kathy Keiser, Executive Director, RMHC Bismarck, Kathy@rmhcbismarck.org, 701-258-5131

SB2004
03.14.2017
#1
Job 29160

North Dakota Department of Health
Emergency Preparedness and Response
2017-19 Executive Budget

		2013-15 Actual Expenditures	Expend To Date Nov 2016	2015-17 Current Budget	2017-19 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES							
FTE EMPLOYEES (Number)		**15.00**	**0.00**	**15.00**	**15.00**	**0.00**	**0%**
511	Salaries	1,464,536	1,166,772	1,600,597	1,610,079	9,482	1%
513/514	Temporary, Overtime	511,718	422,196	909,733	900,158	(9,575)	-1%
516	Benefits	739,528	636,413	902,446	1,048,974	146,528	16%
	TOTAL	**2,715,782**	**2,225,381**	**3,412,776**	**3,559,211**	**146,435**	**4%**
	General Fund	924,130	738,798	1,120,350	1,178,141	57,791	5%
	Federal Funds	1,791,652	1,424,964	2,266,400	2,381,070	114,670	5%
	Special Funds	0	61,619	26,026	0	(26,026)	
OPERATING EXPENSES							
521	Travel	245,009	143,155	181,335	194,682	13,347	7%
531	IT - Software/Supp.	125,410	99,884	103,873	105,437	1,564	2%
532	Professional Supplies & Materials	33,792	46,146	27,483	27,896	413	2%
533	Food & Clothing	8,151	57,533	3,730	3,787	57	2%
534	Buildings/Vehicle Maintenance Supplies	76,368	67,216	86,595	87,899	1,304	2%
535	Miscellaneous Supplies	17,905	24,454	45,486	46,170	684	2%
536	Office Supplies	17,880	14,220	18,826	14,535	(4,291)	-23%
541	Postage	16,846	8,099	9,125	4,688	(4,437)	-49%
542	Printing	13,683	19,102	24,973	26,108	1,135	5%
551	IT Equip Under $5000	42,898	14,351	23,725	26,275	2,550	11%
552	Other Equip Under $5000	33,192	8,958	9,300	0	(9,300)	
553	Office Equip Under $5000	0	4,947	10,000	0	(10,000)	
561	Utilities	44,580	23,786	46,700	47,403	703	2%
571	Insurance	35,773	27,625	51,400	51,400	0	0%
581	Lease/Rentals - Equipment	5,534	9,965	11,500	11,500	0	0%
582	Lease \Rentals-- Buildings./Land	624,403	705,905	945,321	1,136,981	191,660	20%
591	Repairs	188,987	71,802	120,243	122,052	1,809	2%
601	IT-Data Processing	229,638	184,850	239,928	229,684	(10,244)	-4%
602	IT-Telephone	147,297	91,366	147,579	139,838	(7,741)	-5%
603	IT - Contractual Services	146,679	30,610	59,000	56,050	(2,950)	-5%
611	Professional Development	38,851	32,431	53,639	54,446	807	2%
621	**Operating Fees & Services**	**42,534**	**125,031**	**73,368**	**74,473**	**1,105**	2%
623	**Professional Services**	**1,170,701**	**708,595**	**2,958,294**	**1,006,710**	(1,951,584)	-66%
625	Medical, Dental, and Optical	279,842	1,009,674	1,061,646	155,452	(906,194)	-85%
	TOTAL	**3,585,953**	**3,529,705**	**6,313,069**	**3,623,466**	**(2,689,603)**	**-43%**
	General Fund	1,360,557	791,915	1,639,200	1,206,105	(433,095)	-26%
	Federal Funds	1,996,536	2,319,452	4,225,775	2,094,451	(2,131,324)	-50%
	Special Funds	228,860	418,338	448,094	322,910	(125,184)	-28%
CAPITAL ASSETS							
683	Other Capital Payments	264,806	264,571	243,021	0	(243,021)	
684	Extraordinary Repairs	0		0	0	0	
691	Equipment >$5000	211,957	193,413	640,679	859,000	218,321	34%
692	Motor Vehicles		10,000			0	
693	IT Equip >$5000	0		0	500,000	500,000	100%
	TOTAL	**476,763**	**467,984**	**883,700**	**1,359,000**	**475,300**	**54%**
	General Fund	264,806	262,454	0	0	0	
	Federal Funds	211,957	42,518	720,687	859,000	138,313	19%
	Special Funds	0	163,012	163,013	500,000	336,987	207%
GRANTS							
712	Grants - Non State	14,918,314	8,438,705	15,463,146	13,297,952	(2,165,194)	-14%
722	Grants - In State	0		0	0	0	
	TOTAL	**14,918,314**	**8,438,705**	**15,463,146**	**13,297,952**	**(2,165,194)**	**-14%**
	General Fund	6,109,541	4,558,717	7,696,324	6,471,000	(1,225,324)	-16%
	Federal Funds	5,426,696	3,132,510	6,516,822	5,143,444	(1,373,378)	-21%
	Special Funds	3,382,077	747,478	1,250,000	1,683,508	433,508	35%
SPECIAL LINES							
-71	Tobacco Prevention/Control	0		0	0	0	
-72	WIC Food Payments	0		0	0	0	
-78	Food & Lodging IMS	0		0	0	0	
-79	Federal Stimulus Funds	0		0	0	0	
	TOTAL	**0**	**0**	**0**	**0**	**0**	
	General Fund	0		0	0	0	
	Federal Funds	0		0	0	0	
	Special Funds	0		0	0	0	
	TOTAL	**21,696,812**	**14,661,775**	**26,072,691**	**21,839,629**	**(4,233,062)**	**-16%**
	General Fund	8,659,034	6,351,884	10,455,874	8,855,246	(1,600,628)	-15%
	Federal Funds	9,426,841	6,919,444	13,729,684	10,477,965	(3,251,719)	-24%
	Special Funds	3,610,937	1,390,447	1,887,133	2,506,418	619,285	33%

North Dakota Department of Health
Emergency Preparedness and Response
2017-19 Executive Budget

Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Consulting for Health Alert Network	12,000	-	12,000		12,000	
Misc Fees for Various Business Operations	11,000	3,000	14,000		14,000	
Kreisers-Pharmaceutical Supply	3,200	910	4,110		4,110	
Legal	10,000	(500)	9,500	9,500		
Medical Direction	175,000	(8,750)	166,250	166,250		
Stroke Prevention (Federal Grant)	1,332,000	(1,332,000)	-			
UND - Stroke Registry	124,000	(124,000)	-			
Stroke System of Care - Training (Fund 369)	226,000	(87,300)	138,700			138,700
Cardiac System of Care - Training, Registry (Fund 369)	200,000	(50,000)	150,000			150,000
Trauma - Registry	42,000	(2,100)	39,900	39,900		
Site Visits - Stroke and Trauma	80,000	112,000	192,000	192,000		
Trauma - Advance Life Support Training	60,000	(3,000)	57,000	57,000		
Trauma - Development Course	75,000	(3,750)	71,250	71,250		
Community Paramedic Training	160,000	(8,000)	152,000	152,000		
EMS Medical Director (Helmsley Foundation)	5,120	(5,120)	-			
UND Lucas Evaluation (Helmsley Foundation)	225,000	(225,000)	-			
EMS Association Lucas Training (Helmsley Foundation)	217,974	(217,974)	-			
		-	-			
Total Professional Services	**$ 2,958,294**	**$ (1,951,584)**	**$ 1,006,710**	**$ 687,900**	**$ 30,110**	**$ 288,700**

Information Technology Contractual Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Trauma Maintenance Clinical Data Management	34,000	(1,700)	32,300	32,300		
EMS - Personnel and Service Registry	25,000	(1,250)	23,750	23,750		
		-	-			
Total IT Contractual Services	**$ 59,000**	**$ (2,950)**	**$ 56,050**	**$ 56,050**	**$ -**	**$ -**

North Dakota Department of Health
Emergency Preparedness and Response
2017-19 Executive Budget

Grant Line Item

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Public Health Emergency Preparedness LPHU	3,364,332	106,460	3,470,792		3,470,792	
Public Health Emergency Preparedness Tribal Health Agencies	39,000	-	39,000		39,000	
Public Health Emergency Preparedness City Readiness Initiative	339,200	(33,920)	305,280		305,280	
Public Health Emergency Preparedness Health Alert Network	251,800	-	251,800		251,800	
Public Health Emergency Preparedness Ebola	230,159	(230,159)	-		-	
Hospital Preparedness Program Grants to Associations	1,627,320	(883,748)	743,572		743,572	
Hospital Preparedness Program Ebola	665,011	(332,011)	333,000		333,000	
Emergency Medical Systems Stroke Registry & Data Extraction	376,324	(18,816)	357,508			357,508
Emergency Medical Systems Aphasia Projects	50,000	(50,000)	-			
Emergency Medical Systems Stroke Mini Grants	80,000	(4,000)	76,000			76,000
Emergency Medical Systems Training Grants for local ambulance	940,000	(94,000)	846,000	846,000		
Emergency Medical Systems Rural Assistance for local ambulance	7,500,000	(625,000)	6,875,000	5,625,000		1,250,000
		-	-			
Total Grants	**$ 15,463,146**	**$ (2,165,194)**	**$ 13,297,952**	**$ 6,471,000**	**$ 5,143,444**	**$ 1,683,508**

North Dakota Department of Health
Emergency Preparedness and Response
2017-19 Executive Budget

ipment > $5,000

Description\Narrative	Quantity	Base Price	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Emergency Response Health & Medical Trailers (53')	8	8,000	64,000		64,000	
Liftgates for Emergency Response Health & Medical Trailers (53')	8	7,500	60,000		60,000	
Refrigerated/Heated Emergency Health & Medical Trailer (53') with liftgate	3	10,000	30,000		30,000	
Emergency Response Health & Medical Tents	4	105,000	420,000		420,000	
Morgue Racking for Refrigerated/Heated Trailer (53')	3	15,000	45,000		45,000	
Mobile Morgue Trailer 53' 70 body capacity	3	20,000	60,000		60,000	
Emergency Generator 143KW	2	90,000	180,000		180,000	
			-			
Total Equipment > $5,000			**$ 859,000**	**$ -**	**$ 859,000**	**$ -**

IT Equipment/Software > $5,000

Description\Narrative	Quantity	Base Price	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
EMS Data System	1	500,000	500,000			500,000
			-			
Total IT Equipment/Software > $5,000			**$ 500,000**	**$ -**	**$ -**	**$ 500,000**

North Dakota Department of Health
Emergency Preparedness and Response
2017-19 Executive Budget

Summary of Federal & Special Funds

Federal Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Public Health Emergency Preparedness	8,453,590	7,695,663	(757,927)
Hospital Preparedness Program	3,278,391	2,179,160	(1,099,231)
Emergency Medical Services for Children Grant	280,374	279,429	(945)
DOT Traffic Analyst	153,109	151,597	(1,512)
Stroke Prevention	1,556,220	154,000	(1,402,220)
Rural Health Flexibility Program (FLEX)	8,000	-	(8,000)
Hold back 1% of Salary Increase		(3,143)	(3,143)
Unallocated Executive Compensation Package		27,394	27,394
Unallocated Removal of 1% Proposed Pay Increase		(1,637)	(1,637)
Unallocated 5% of Health Insurance Adjustment		(4,498)	(4,498)
Total Federal Funds	**$ 13,729,684**	**$ 10,477,965**	**$ (3,251,719)**

Special Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Rural EMS Assistance Fund - Insurance Tax Distribution Fund	1,250,000	1,250,000	-
Helmsley Foundation Grant	637,133	500,000	(137,133)
Tobacco Prevention & Control Trust Fund - Cardiac System of Care		150,000	150,000
Tobacco Prevention & Control Trust Fund - Stroke System Funding		606,418	606,418
			-
Total Special Funds	**$ 1,887,133**	**$ 2,506,418**	**$ 619,285**

North Dakota Department of Health
Emergency Preparedness and Response
2017-19 Executive Budget

FTE	Salaries & Wages	Amount	GF	FF	SF
15.00	2017-19 Executive Budget	3,559,211	1,178,141	2,381,070	0
15.00	2015-17 Current Budget	3,412,776	1,120,350	2,266,400	26,026
0.00	Increase (Decrease)	**146,435**	**57,791**	**114,670**	**(26,026)**

FTE	Salaries & Wages	Amount	GF	FF	SF	
	Year 2 - Salary Increase Continuation	28,133	23,418	4,715		
	Year 2 - Market Equity Continuation	14,320	14,320			
	Hold back 1% sal increase	(18,755)	(15,612)	(3,143)		
	Changes to FTE	0	-	-		
	Changes in funding source of FTE	0	26,026	-	(26,026)	EMS Director - Helmsley
	Reduction in IT Temp Time	(16,588)	-	(16,588)		Ryan (Temp) took IT Vacant FTE
	Changes in funding source of Temp/OT	7,013	22,808	(15,795)		
	Inc insurance/fringe for Temp FTE	91,555	(2,306)	93,861		Added 3 Temp insurance policies plus increase
	Misc. Salary Chgs/Staff Turnover	10,778	(19,583)	30,361		
	Gov Salary Adj.	8,144	5,077	3,067		Salary Only
	Benefit Increase	64,587	40,260	24,327		
	Remove 1% Increase	(9,767)	(8,130)	(1,637)		Salary and Fringe
	5% Health Insurance Adjustment	(32,985)	(28,487)	(4,498)		
0.00		**146,435**	**57,791**	**114,670**	**(26,026)**	
		0	0	0	0	

Line Item	Exec Differ	% Differ	Inflation	Reason
Travel	13,347	7%	Uniq by Sec	Increase in emergency response exercises & maintenance of medical cache
IT-Software/Supp.	1,564	2%	1% per yr	
Professional Supplies & Materials	413	2%	1% per yr	
Food & Clothing	57	2%	1% per yr	
Buildings/Vehicle Mntce Supplies	1,304	2%	1% per yr	
Miscellaneous Supplies	684	2%	1% per yr	
Office Supplies	(4,291)	-23%	1% per yr	Decrease due to remove fed funding not received for Stroke Prevention in 15-17
Postage	(4,437)	-49%	1% per yr	Decrease due to remove fed funding not received for Stroke Prevention in 15-17
Printing	1,135	5%	3% per yr	
IT Equipment Under $5000	2,550	11%	Schedule	Increase due to recommended replacement schedule for computers
Other Equip Under $5000	(9,300)	-100%	Schedule	One time purchases in 15-17
Office Equip Under $5000	(10,000)	-100%	Schedule	One time purchases in 15-17
Utilities	703	2%	1% per yr	
Insurance	0		Uniq by Sec	
Lease/Rentals - Equipment	0		Uniq by Sec	
Lease/Rentals-Buildings/Land	191,660	20%	Uniq by Sec	Consolidating storage for medical cache, including new mobile medical unit and new office space.
Repairs	1,809	2%	3% per yr	
IT-Data Processing	(10,244)	-4%	Schedule	Decrease based on anticipated hosting and programming needs
IT-Telephone	(7,741)	-5%	0%	Decrease due to remove fed funding not received for Stroke Prevention in 15-17
IT-Contractual Services	(2,950)	-5%	Schedule	Decrease due to decreased need
Professional Development	807	2%	1% per yr	
Operating Fees & Services	1,105	2%	1% per yr	
Professional Services	(1,951,584)	-66%	Schedule	Decreased due to completion of Helmsley grant and removal of federal funding not received for the Stroke Prevention grant in 15-17 and to meet 90% reduction
Medical, Dental, and Optical	(906,194)	-85%	Uniq by Sec	Decreased due to federal funded Ebola activities being completed
Other Capital Payments	(243,021)	-100%	Schedule	Construction is complete on office space
Extraordinary Repairs	0		Schedule	
Equipment > $5,000	218,321	34%	Schedule	Add 1 tent, 3 mobile morgue racking for trailer, 1 generator
IT Equip/Software > $5,000	500,000	100%	Schedule	EMS Data system - special funds
Grants	(2,165,194)	-14%	Schedule	Ebola partially complete, other federal funds no longer available along with reductions to meet 90% reduction.
Tobacco Prevention/Control	0		Uniq by Sec	
WIC Food Payments	0		Uniq by Sec	
Cont Approp-EPA	0		Uniq by Sec	
Federal Stimulus Funds	0		Uniq by Sec	
Section Total	**(4,233,062)**	**-16%**		
General	(1,600,628)	-15%		
Federal	(3,251,719)	-24%		
Special	619,285	33%		

SB2004
03.14.2017
#2

North Dakota Department of Health
SB 2004
House Appropriations Committee
Human Resources Section
2017 - 2019 Biennium

	2015-17	2017-19	Difference
Office Rent	420,712	456,981	36,269
Warehouse Rent	524,609	680,000	155,391
Total	$ 945,321	$ 1,136,981	$ 191,660
General Fund	87,746	124,467	36,721
Federal Funds	857,575	1,012,514	154,939
Special Funds	-	-	-

SB2004
03.15.2017
#1
Job 29212

North Dakota Department of Health

History of Emergency Medical Services Funding

	Biennium Appropriated Funds														Executive Budget
	1989-91	1991-93	1993-95	1995-97	1997-99	1999-01	2001-03	2003-05	2005-07	2007-09	2009-11	2011-13	2013-2015	2015-2017	2017-19
Grant Type															
Training Grants	500,000	400,000	400,000	500,000	470,000	940,000	940,000	940,000	940,000	1,240,000	1,240,000	940,000	940,000	940,000	846,000
Quick Response Units									125,000	125,000					
Staffing Grants	-									1,250,000	2,750,000	1,250,000			
Myocardial Infarction Response	-											600,000			
Helmsley Charitable Trust Grant													2,139,110		
Rural EMS Assistance Grants	-											2,900,000	6,400,000	7,500,000	6,875,000
	500,000	400,000	400,000	500,000	470,000	940,000	940,000	940,000	1,065,000	2,615,000	3,990,000	5,690,000	9,479,110	8,440,000	7,721,000
Funding Source															
General Fund	500,000	400,000	400,000	300,000	270,000	940,000	940,000	940,000	940,000	940,000	940,000	4,440,000	6,090,000	7,190,000	6,471,000
Federal Funds	-	-	-	200,000	200,000	-	-	-	-	-	-	-		-	
Health Care Trust Fund									125,000	125,000					
Community Health Trust Fund	-	-	-	-	-	-	-	-	-	300,000	300,000	-		-	
Helmsley Charitable Trust - Special Funds													2,139,110		
Insurance Tax Distribution	-	-	-	-	-	-	-	-	-	1,250,000	2,750,000	1,250,000	1,250,000	1,250,000	1,250,000
	500,000	400,000	400,000	500,000	470,000	940,000	940,000	940,000	1,065,000	2,615,000	3,990,000	5,690,000	9,479,110	8,440,000	7,721,000
												See Note 1	**See Note 2**	**See Note 3**	

Note 1: In addition to the appropriation shown above for the 2011-13 biennium SB2371, which was introduced and passed during the special session, transferred $30,000,000 from the general fund to the oil and gas impact fund. The **Land Department** received an appropriation for the $30,000,000 to be used for grants to emergency services, including emergency medical services operations, fire districts and departments, sheriff offices, and police departments providing service in an area affected by oil gas development.

Note 2: In addition to the appropriation shown above for the 2013-15 biennium HB1358 appropriated $7 million to the oil and gas impact grant fund. The **Land Department** extended these grants to EMS providers.

Note 3: For the 2015-17 biennium, $6 million of additional funding for EMS providers has been included in HB 1176. The funding is appropriated from the Oil and Gas Impact Grant Fund. Additionally, Legislative intent included in HB 1004 requires that at least 85% of the Rural EMS Assistance Grants be distributed to EMS providers that do not receive an oil impact grant.

SB2004
03.15.2017
#2

North Dakota Department of Health
SB 2004
Stroke / Cardiac / Trauma Funding

	2015-17 Appropriation	2017-19 Executive Recommendation	Difference
Stroke / Cardiac System			
Operating Expenditures		34,210	34,210
Professional Services Contracts	550,000	288,700	(261,300)
UND-Stroke Registry, Stroke System of Care - Training, Registry, Cardiac System of Care - Training, Registry			
Grants	506,324	433,508	(72,816)
Data Extraction, Aphasia Project, Mini Grants			
Total	**1,056,324**	**756,418**	**(299,906)**
General Fund	1,056,324	-	(1,056,324)
Federal Funds	-	-	-
Special Funds (Tobacco Prev & Control)	-	756,418	756,418
Combination Stroke / Trauma			
Professional Fees - Site Visits - **General Fund**	**80,000**	**192,000**	**112,000**
Trauma			
Medical Direction	175,000	166,250	(8,750)
Professional Services Contracts	177,000	168,150	(8,850)
Registry, Training, Development Course			
Total - all General Fund	**352,000**	**334,400**	**(17,600)**
Overall Stroke / Cardiac / Trauma	**1,488,324**	**1,282,818**	**(205,506)**
General Fund	1,488,324	526,400	(961,924)
Federal Funds	-	-	-
Special Funds (Tobacco Prev & Control)	-	756,418	756,418

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North Dakota Department of Health
Temporary / Overtime Salaries
Emergency Preparedness and Response
2017-19 Executive Budget

Duties Timeframe	2015-2017 Current Budget	2017-2019 Executive Budget	Executive + (-) Difference	Funding Source
CDL Driver - Operates semi tractors for transporation of medical cache assets and operates ambus vehicles. This is an ongoing cost.	23,200	35,992	12,792	Federal Funds
Grant Management Coordinator (2) - Provides ongoing services by monitoring local public health activity to ensure that activity is aligned with the grant's expectation. Also, assists with the financial reporting of the Public Health Preparedness and Hospital Preparedness grant awards and conducts program audits with sub awardees. This position is split between two individuals.	95,400	99,322	3,922	Federal Funds
Warehouse Worker (2) - Provides ongoing services by providing assistance to the warehouse manager who is responsible for maintaining the state's medical cache warehouse activity. Also, responsible for maintaining equipment, generators and trailers so they are ready at the time of deployment and assists with the rotation of medical materials with an expiration date.	140,800	143,024	2,224	Federal Funds
Administrative Assistant - Provides ongoing services by providing administrative assistance to staff in Emergency Preparedness and Response.	64,748	64,271	(477)	Federal Funds
Network Engineer - Provides ongoing services by configuring communications networks for the program and assists with programming and installation of a variety of equipment used for emergency deployments.	17,500	17,140	(360)	Federal Funds
Overtime for PHEP Staff - There are times when it will be necessary to have staff work additional hours to prepare for Emergency Preparedness and Response grant award activity. This is an ongoing cost.	12,000	12,000	-	Federal Funds
Pager Pay - Provides ongoing services for the North Dakota Department of Health which utilizes emergency pagers which require 24/7 response. The Emergency Preparedness and Response Section compensates persons who are on call.	52,404	52,404	-	Federal Funds

North Dakota Department of Health
Temporary / Overtime Salaries
Emergency Preparedness and Response
2017-19 Executive Budget

Duties Timeframe	2015-2017 Current Budget	2017-2019 Executive Budget	Executive + (-) Difference	Funding Source
Hospital Preparedness Program (HPP) Representatives (2) - The first representative is the Volunteer Branch lead during emergency events and assigns and deploys volunteers to apporpriate staging areas and assures that plans are operational. The second representative will assist with implementing all other HPP preparedness and planning activities as related to HPP capabilities under the direction of the HPP Division Director. This is an ongoing cost.	156,504	168,478	11,974	Federal Funds
IT Support Specialist - Provides ongoing services by providing technical support and equipment maintenance to end users and software systems used by hospitals and long term care.	16,588		(16,588)	Federal Funds
Emergency Medical Services Grants Manager - Performs duties associated with the application, evaluation, and maintenance of grants and contracts. This is an ongoing cost.	91,233	114,041	22,808	General Fund
Emergency Medical Services Community Paramedic Coordinator - Provides ongoing services with establishing and defining the Community Paramedic Program and career for the state.	53,486	53,486	-	General Fund
Emergency Medical Services Stroke Prevention - Provides ongoing services with establishing and defining the Stroke Prevention Program and career for the state.	185,870	140,000	(45,870)	Federal Funds
	909,733	**900,158**	**(9,575)**	**Total**
	144,719	**167,527**	**22,808**	**General Fund**
	765,014	**732,631**	**(32,383)**	**Federal Funds**
	-	**-**	**-**	**Special Funds**

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North Dakota Department of Health
Health Resources
2017-19 Executive Budget

		2013-15 Actual Expenditures	Expend To Date Nov 2016	2015-17 Current Budget	2017-19 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES							
FTE EMPLOYEES (Number)		**49.50**	**0.00**	**50.50**	**50.50**	**0.00**	**0%**
511	Salaries	5,301,101	3,940,263	6,050,395	5,873,539	(176,856)	-3%
513/514	Temporary, Overtime	53,352	78,493	90,000	105,000	15,000	17%
516	Benefits	2,069,686	1,619,183	2,585,445	2,766,418	180,973	7%
	TOTAL	**7,424,139**	**5,637,939**	**8,725,840**	**8,744,957**	**19,117**	**0%**
	General Fund	2,025,227	1,608,916	2,356,519	2,371,047	14,528	1%
	Federal Funds	4,279,471	3,056,652	4,984,450	4,749,166	(235,284)	-5%
	Special Funds	1,119,441	972,371	1,384,871	1,624,744	239,873	17%
OPERATING EXPENSES							
521	Travel	738,418	465,326	835,759	947,305	111,546	13%
531	IT - Software/Supp.	44,463	19,364	53,761	53,921	160	0%
532	Professional Supplies & Materials	3,870	6,614	11,105	11,272	167	2%
533	Food & Clothing	163	571	131	133	2	2%
534	Buildings/Vehicle Maintenance Supplies	4,032	38,340	5,226	5,304	78	1%
535	Miscellaneous Supplies	3,525	5,157	6,750	6,851	101	1%
536	Office Supplies	15,305	18,710	37,933	38,503	570	2%
541	Postage	26,018	14,918	36,661	37,213	552	2%
542	Printing	16,203	14,959	14,771	15,442	671	5%
551	IT Equip Under $5000	45,039	45,014	52,155	37,600	(14,555)	-28%
552	Other Equip Under $5000	2,593	6,895	6,895	0	(6,895)	
553	Office Equip Under $5000	15,029	44,955	43,947	22,800	(21,147)	-48%
561	Utilities	0	0	0	0	0	
571	Insurance	0	0	0	0	0	
581	Lease/Rentals - Equipment	2,227	2,264	2,499	2,499	0	0%
582	Lease \Rentals-- Buildings./Land	120,021	86,080	138,469	170,464	31,995	23%
591	Repairs	1,443	5,145	10,615	10,775	160	2%
601	IT-Data Processing	121,643	106,177	151,129	158,091	6,962	5%
602	IT-Telephone	62,511	34,869	65,661	65,661	0	0%
603	IT - Contractual Services	41,650	26,000	110,000	52,000	(58,000)	-53%
611	Professional Development	61,029	43,708	67,703	68,722	1,019	2%
621	**Operating Fees & Services**	**18,039**	**19,474**	**28,335**	**28,761**	**426**	2%
623	**Professional Services**	**23,354**	**20,953**	**61,500**	**81,000**	19,500	32%
625	Medical, Dental, and Optical	0	56	0	0	0	
	TOTAL	**1,366,575**	**1,025,549**	**1,741,005**	**1,814,317**	**73,312**	**4%**
	General Fund	337,005	251,526	383,596	214,021	(169,575)	-44%
	Federal Funds	819,259	573,348	999,065	1,153,902	154,837	15%
	Special Funds	210,311	200,675	358,344	446,394	88,050	25%
CAPITAL ASSETS							
683	Other Capital Payments	0		0	0	0	
684	Extraordinary Repairs	0		0	0	0	
691	Equipment >$5000	0	6,953	10,000	0	(10,000)	
693	IT Equip >$5000	5,790		0	0	0	
	TOTAL	**5,790**	**6,953**	**10,000**	**0**	**(10,000)**	
	General Fund	0	435	0	0	0	
	Federal Funds	0	6,518	10,000	0	(10,000)	
	Special Funds	5,790		0	0	0	
GRANTS							
712	Grants - Non State	0		0	0	0	
722	Grants - In State	0		0	0	0	
	TOTAL	**0**	**0**	**0**	**0**	**0**	
	General Fund	0		0	0	0	
	Federal Funds	0		0	0	0	
	Special Funds	0		0	0	0	
SPECIAL LINES							
-71	Tobacco Prevention/Control	0		0	0	0	
-72	WIC Food Payments	0		0	0	0	
-78	Food & Lodging IMS	0	61,695	253,876	0	(253,876)	
-79	Federal Stimulus Funds	0		0	0	0	
	TOTAL	**0**	**61,695**	**253,876**	**0**	**(253,876)**	
	General Fund	0		0	0	0	
	Federal Funds	0	47,876	47,876	0	(47,876)	
	Special Funds	0	13,819	206,000	0	(206,000)	
	TOTAL	**8,796,504**	**6,732,136**	**10,730,721**	**10,559,274**	**(171,447)**	**-2%**
	General Fund	2,362,232	1,860,877	2,740,115	2,585,068	(155,047)	-6%
	Federal Funds	5,098,730	3,684,394	6,041,391	5,903,068	(138,323)	-2%
	Special Funds	1,335,542	1,186,865	1,949,215	2,071,138	121,923	6%

North Dakota Department of Health
Health Resources
2017-19 Executive Budget

Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Administrative Hearings	15,000	1,000	16,000		16,000	
Legal Fees - Attorney General's Office	30,980	520	31,500	13,500	12,000	6,000
Contractual Assistance - Independent Informal Dispute Resolution (IIDR) Review by outside entity	2,000	(1,000)	1,000		1,000	
Professional Services - shredding, scanning, advertising	5,500	5,000	10,500	2,125	7,875	500
Southwestern District Health Unit - inspections	8,020	(6,020)	2,000	2,000		
Risk Factor Survery to Local Public Health Units		20,000	20,000		20,000	
Total Professional Services	**$ 61,500**	**$ 19,500**	**$ 81,000**	**$ 17,625**	**$ 56,875**	**$ 6,500**

Information Technology Contractual Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Licensing Management - maintenance fees	110,000	(58,000)	52,000	52,000		
Total IT Contractual Services	**$ 110,000**	**$ (58,000)**	**$ 52,000**	**$ 52,000**	**$ -**	**$ -**

North Dakota Department of Health
Health Resources
2017-19 Executive Budget

Summary of Federal & Special Funds

Federal Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Medicaid Title 19	2,230,195	2,235,848	5,653
Medicare Title 18	3,634,558	3,525,466	(109,092)
Clinical Laboratory Improvement Amendments Program	128,762	122,642	(6,120)
Information Management System - FDA	47,876		(47,876)
Written Compliance & Performance Procedure - FDA		20,000	20,000
ND Foodborne Illness Risk Factors Study		1,500	1,500
Hold back 1% sal increase		(39,731)	(39,731)
Unallocated Executive Compensation Package		98,227	98,227
Unallocated Removal of 1% Proposed Pay Increase		(19,800)	(19,800)
Unallocated 5% of Health Insurance Adjustment		(41,084)	(41,084)
Total Federal Funds	**$ 6,041,391**	**$ 5,903,068**	**$ (138,323)**

Special Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Hospital Licensing Fees	183,580	182,000	(1,580)
Basic Care Fees	35,160	35,600	440
Nurse Aid Registry Fees	122,100	121,775	(325)
Health Care Trust Fund (Nurse Aid Registry)	85,129	93,768	8,639
Food & Lodging Licensure Fees	1,180,833	1,031,883	(148,950)
Construction & Plan Review Fees	342,413	606,112	263,699
			-
Total Special Funds	**$ 1,949,215**	**$ 2,071,138**	**$ 121,923**

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03.15.2017
#1
Job 29239

NORTH DAKOTA DEPARTMENT OF HEALTH

MEMORANDUM

TO: Hospital, Nursing Facility, and Basic Care Facility Administrators

FROM: Darleen Bartz, Ph.D., Chief, Health Resources Section

DATE: August 15, 2016

SUBJECT: Fees for Construction Plans Review and Onsite Construction Visits to Health Care Facilities subject to Licensure by the Division of Health Facilities

The Department of Health has the authority to charge a reasonable fee for the review of plans for construction, remodeling, and installation projects in health care facilities licensed by the Division of Health Facilities. This includes licensed hospitals, nursing facilities, and basic care facilities.

The intent is that partial cost of plan review and onsite construction visits would be based on fees collected from the licensed providers for plans review. The fee schedule needs to be adjusted periodically with increases in salaries and other costs. At this time, there is a need to adjust the fee schedule to generate the needed funding. The revised fee schedule will be based on the estimated cost of the project.

Upon receipt of the construction plans and the estimated cost of the project, the fee will be determined by our office. A request for payment of this fee will be sent to the licensed provider. Plans will be reviewed in the order received; however, department approval of plans will not be given until the fees for plans review have been received. An exception to the sequence and fees related to plans review may occur at the discretion of the department when plans are submitted in response to a Life Safety Code (LSC) survey deficiency.

If plans are submitted in phases, each phase or package will be considered as a new submission. A new fee will be allocated and the plans will be considered separately in the timing of review. Changes to plans previously submitted will not be charged an additional fee for review and approval.

State licensing rules require our office to review and approve plans and specifications for all construction, remodeling, and installations prior to the start of construction. For hospitals this rule is found in North Dakota Administrative Code 33-07-02.1-02, for nursing facilities it is found in NDAC 33-07-04.2-08, and for basic care facilities in NDAC 33-03-24.2-06. If there are changes to the plans that have been approved, the changes are required to be submitted to the department and approved prior to implementation.

Routine maintenance does not require the submission of plans and specifications. Routine maintenance is the repair or replacement of existing equipment, room finishes and furnishings, and similar activities. If you have questions whether your planned construction or remodeling activities are subject to review, please contact our office.

If you have questions regarding this information, please contact myself or Monte Engel, Director, Division of Life Safety and Construction, North Dakota Department of Health at 701-328-4873.

North Dakota Department of Health

Procedure for Construction or Renovation Plans Review for Facilities Subject to Licensure by the Division of Health Facilities Effective August 15, 2016

Procedure:

1. The health care facility subject to licensure by the Division of Health Facilities submits directly, or through an architect or engineer, construction or renovation project plans for review by the Department. The estimated cost of the project is to accompany the submission of the project plans.
2. Based on the estimated cost of the project, a letter is sent to the facility administrator or designee indicating the plans review fee that needs to be submitted.
3. Effective August 15, 2016, the fee schedule is:

Plan Review Fee Scale Based on Size and Project Cost (PC)		
Small (PC $0 - $50,000)	Medium (PC 50,001- $4,000,000)	Large (PC > $4,000,000)
Minimum - $500	Range - $500 - $30,125 ($500 + 0.75% PC $50,001 - $4,000,000)	Range – Over $30,125 ($30,125 + 0.25% PC > $4,000,000)

4. Review of the fee schedule is completed annually and adjusted as necessary.
5. If plans are submitted in phases, each phase is considered as a separate project and fees are charged consistent with the above fee schedule.
6. A copy of the letter from the department and fee to be remitted is to be sent from the facility administrator or designee to:

   North Dakota Department of Health
   Division of Accounting
   600 East Boulevard Avenue, Dept. 301
   Bismarck, ND 58505-0200

7. Plans are reviewed in the order received. If plans are received in phases, each project phase is considered separately and reviewed in the order received along with the other plans received by our office.
8. The fee for plans review must be received by the department prior to approval of plans.
9. An exception to the sequence of plans review may occur at the discretion of the department, when plans are submitted in response to a Life Safety Code (LSC) certification survey citation. If the plans review related to deficiency citations meets the small project criteria, no fee will be charged. If the plans are submitted prior to the LSC survey or are larger than a small review, the fee schedule is applied.
10. Changes to plans previously submitted and reviewed are not charged an additional fee for review.

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#2

Department of Health
Engrossed SB 2344 - Medical Marijuana
Fiscal Impact Summary

	Governor Dalrymple's Budget 2017-2019	Governor Burgum's Budget 2017-2019	Engossed SB 2344 Partial Biennium 2017-2019	Engossed SB 2344 Full Biennium 2019-2021
Revenue	$ 5,000,000	$ 4,525,508	$ 1,307,500	$ 3,510,000
Expenditures	7,057,644	6,216,884	2,390,165	2,940,081
Revenue Excess / (Shortfall)	$ (2,057,644)	$ (1,691,376)	$ (1,082,665)	$ 569,919
FTE	17	13	12	15

Assumptions - Proposed Law Changes	Partial Biennium	Full Biennium
Qualified Patients (5 per 1000 population) - $200 per year	1,900	3,800
Designated Caregivers (50% QPs) - $200 per year	950	1,900
Compassion Centers - board members, staff, volunteers - $200 per year	300	700
Replacement Cards / Failure to notify fees - $25 / $150 per occurrence	300/50	150/25
Compassion Centers - Fees paid each biennium		
Grow - application and registration fees - $5,000 / $80,000	4	4
Sell only - application and registration fees - $5,000 / $60,000	4	8
Add'l Sell only application and registration fees - $5,000 / $60,000	-	2

Department of Health												
Engrossed SB 2344 - Medical Marijuana												
Partial Biennial Costs - 2017-2019												
Category	**One-time costs**			**Ongoing costs**								**Total Costs**
	IT equip under $5,000 / copier	**Office Equip Under $5,000**	**Remodel / Security**	**Salaries/ Fringe**	**Lease - Build.**	**IT Data Processing**	**IT - Telephone**	**Various Operating**	**Legal**	**Travel**		
Administration												
	7,489		200,000					20,000	194,947	7,748		430,184
1 - Division Director HSPA VI (class code P - 7,631)	1,250	2,000		247,177	2,746	2,145	672					255,990
1 - Admn Asst II (class code H -3,073)	1,250	2,000		116,005	1,464	2,145	672					123,536
1 - DP Coord III (class code K - 4,094)	1,250	2,000		145,388	1,464	2,145	672					152,919
	11,239	6,000	200,000	508,570	5,674	6,435	2,016	20,000	194,947	7,748	0	962,629
			217,239							**operating**	**236,820**	
Participation Registration Process (QP, DC, CC workers, agents, volunteers)	**IT Equip under $5,000**	**Office Equip Under $5,000**	**Website design/ IT System / Card Printer**	**Salaries/ Fringe**	**Lease - Build.**	**IT Data Processing**	**IT - Telephone**	**Various Operating**	**Printing / Postage Registry Cards**	**Travel**	**System Mainten.**	
	458		46,000					25,000	3,568	7,748	93,600	176,374
1 - Program Manager - HSPA IV (class code N - 5,401)	1,250	2,000		183,001	2,746	2,145	672					191,814
2 - Office Asst III (class code E - 2,344) yr 2 hire 2nd	2,500	4,000		142,539	2,928	3,218	1,008					156,193
2 - Office Asst II (class code D - 2,146) yr 2 hire 2nd	2,500	4,000		133,992	2,928	3,218	1,008					147,646
	6,708	10,000	46,000	459,532	8,602	8,580	2,688	25,000	3,568	7,748	93,600	672,026
			62,708							***operating***	***149,786***	
Enforcement/Onsite Review/ Random Inspection - DCs, QPs and CCs	**IT Equip under $5,000**	**Office Equip Under $5,000**	**Tablets**	**Salaries/ Fringe**	**Lease - Build.**	**IT Data Processing**	**IT - Telephone**	**Various Operating**		**Travel**		
	458							25,000	147,774	61,009		234,241
1 - Program Manager - HSPA IV (class code N - 5,401)	1,250	2,000		183,001	2,746	2,145	672					191,814
1 - Auditor III (class code L - 4,473)	1,250	2,000		156,295	2,746	2,145	672					165,108
2 - Field Inspec, 2 for 1 yr startup (new series - class code K - 4,094)		4,000	4,822	145,388	7,320	2,145	672					164,347
2 hired yr 2 remaining 3 in following biennium	2,958	8,000	4,822	484,684	12,812	6,435	2,016	25,000	147,774	61,009	-	755,510
			15,780							***operating***	***255,046***	
Total Department of Health Costs	20,905	24,000	250,822	1,452,786	27,088	21,450	6,720	70,000	346,289	76,505	93,600	2,390,165
12 FTE with remaining 3 hired in following	***One time costs***		***295,727***					***On-going costs***			***2,094,438***	
biennium for a total of 15												

Department of Health									
Engrossed SB 2344 - Medical Marijuana									
Biennial Costs - 2019-2021									
Category	**Ongoing costs**								**Total Costs**
	Salaries/ Fringe	**Lease - Build.**	**IT Data Processing**	**IT - Telephone**	**Various Operating**	**Legal**	**Travel**		
Administration									
					20,000	194,947	7,748		222,695
1 - Division Director HSPA VI (class code P - 7,631)	247,177	2,746	2,145	672					252,740
1 - Admn Asst II (class code H -3,073)	116,005	1,464	2,145	672					120,286
1 - DP Coord III (class code K - 4,094)	145,388	1,464	2,145	672					149,669
	508,570	5,674	6,435	2,016	20,000	194,947	7,748	0	745,390
			10 patients per 1000 population				**operating**	**236,820**	
Participation Registration Process (QP, DC, CC workers, agents, volunteers)	**Salaries/ Fringe**	**Lease - Build.**	**IT Data Processing**	**IT - Telephone**	**Various Operating**	**Printing / Postage Registry Cards**	**Travel**	**System Mainten.**	
					25,000	13,365	7,748	124,800	170,913
1 - Program Manager - HSPA IV (class code N - 5,401)	183,001	2,746	2,145	672					188,564
2 - Office Asst III (class code E - 2,344)	190,052	2,928	4,290	1,344					198,614
2 - Office Asst II (class code D - 2,146)	178,656	2,928	4,290	1,344					187,218
	551,709	8,602	10,725	3,360	25,000	13,365	7,748	124,800	745,309
							operating	***193,600***	
Enforcement/Onsite Review/ Random Inspection - DCs, QPs and CCs	**Salaries/ Fringe**	**Lease - Build.**	**IT Data Processing**	**IT - Telephone**	**Various Operating**		**Travel**		
					25,000	147,774	177,841		350,615
1 - Program Manager - HSPA IV (class code N - 5,401)	183,001	2,746	2,145	672					188,564
1 - Auditor III (class code L - 4,473)	156,295	2,746	2,145	672					161,858
5 - Field Inspectors (new series - class code K - 4,094)	726,940	7,320	10,725	3,360					748,345
	1,066,236	12,812	15,015	4,704	25,000	147,774	177,841	-	1,449,382
							operating	***383,146***	
Total Department of Health Costs	2,126,515	27,088	32,175	10,080	70,000	356,086	193,337	124,800	2,940,081
15 FTE									

Department of Health

Engrossed SB 2344 - Medical Marijuana

Revenue Information

Biennial Presentation

	Full Biennium 2019 -2021	Partial Biennium 2017 - 2019			
Biennial cost	2,940,081	2,390,165			
Known revenues:					
Replacement Cards - $25 x 300 per year (150 for partial biennium)	15,000	3,750			
Failure of QP / DC / CC to notify DoH of changes - $150 x 50 per year (25 for partial biennium)	15,000	3,750			
Grow only application fee - $5,000 per occurrence (assume 2 will apply in each region)	80,000	80,000			
Grow only registration certification fee - $80,000 for 2 years - 4 total	320,000	320,000			
Dispense application fee - $5,000 per occurrence (asssume 2 will apply in each region)	80,000	40,000			
Dispense registration certification fee - $60,000 for 2 years - 8 total (4 partial biennium)	480,000	240,000			
Additional Dispense Only upon demand - $5,000 application fee - (assume 4 apply)	20,000	-			
Add'l Dispense Only - registration certification fee - $60,000 for 2 years - (assume add'l 2)	120,000	-			
			Fee	Full Bien #	Partial Bien #
Qualified Patient	1,520,000	380,000	200	7600	1900
Designated Caregiver (parent of child only - no payment) 100 full biennium / 50 partial	720,000	180,000	200	3800	950
Board Members, Volunteers, Employees of CC (growers/dispensaries)	140,000	60,000	200	700	300
Total Fees Collected	**3,510,000**	**1,307,500**			
Biennial cost	2,940,081	2,390,165			
Surplus / (Deficit)	569,919	(1,082,665)			

Note:
QP - 3800 per year full biennium - 50% for partial biennium
DC - 1900 per year full biennium - 50% for partial biennium
Board Members, Volunteers, Employees of CC:
Grow only - 25 (25*4* = 100 per year; 200 per biennium
Sell only - 25 (25*8 = 200 per year; 400 per biennium
Add'l Sell only - (25*2 = 50 per year; 100 per biennium; partial biennium - 0)

Full biennium - 700
Partial biennium - 300

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Job 29261

North Dakota Department of Health
Environmental Health
2017-19 Executive Budget

	2013-15 Actual Expenditures	Expend To Date Nov 2016	2015-17 Current Budget	2017-19 Executive Budget	Executive + (-) Difference	Percent % Increase + Decrease -
SALARIES AND WAGES						
FTE EMPLOYEES (Number)	**164.25**	**0.00**	**174.25**	**172.25**	**(2.00)**	**-1%**
511 Salaries	17,314,088	14,115,378	20,335,161	20,358,484	23,323	0%
513/514 Temporary, Overtime	309,112	238,836	558,280	584,280	26,000	5%
516 Benefits	7,007,157	6,040,967	8,904,636	9,185,898	281,262	3%
TOTAL	**24,630,357**	**20,395,181**	**29,798,077**	**30,128,662**	**330,585**	**1%**
General Fund	6,536,772	6,056,683	10,704,033	10,397,026	(307,007)	-3%
Federal Funds	12,591,720	9,280,943	12,395,320	13,038,426	643,106	5%
Special Funds	5,501,865	5,057,555	6,698,724	6,693,210	(5,514)	0%
OPERATING EXPENSES						
521 Travel	1,095,176	708,602	1,183,270	1,239,189	55,919	5%
531 IT - Software/Supp.	188,011	135,368	280,939	268,530	(12,409)	-4%
532 Professional Supplies & Materials	111,130	72,912	124,504	115,865	(8,639)	-7%
533 Food & Clothing	14,396	8,952	19,787	20,086	299	2%
534 Buildings/Vehicle Maintenance Supplies	124,993	80,390	104,613	99,708	(4,905)	-5%
535 Miscellaneous Supplies	23,289	23,140	22,956	23,301	345	2%
536 Office Supplies	44,506	33,620	49,330	50,073	743	2%
541 Postage	168,306	104,077	124,424	126,296	1,872	2%
542 Printing	36,390	24,226	67,530	70,600	3,070	5%
551 IT Equip Under $5000	119,445	49,784	181,975	167,540	(14,435)	-8%
552 Other Equip Under $5000	33,802	27,162	54,015	32,500	(21,515)	-40%
553 Office Equip Under $5000	10,445	6,287	38,869	18,200	(20,669)	-53%
561 Utilities	491,815	317,025	426,905	433,330	6,425	2%
571 Insurance	322	294	593	593	0	0%
581 Lease/Rentals - Equipment	53,867	30,745	54,954	54,954	0	0%
582 Lease \Rentals-- Buildings./Land	915,114	742,628	1,157,180	1,151,976	(5,204)	0%
591 Repairs	952,736	608,845	795,426	789,550	(5,876)	-1%
601 IT-Data Processing	352,419	274,932	425,983	423,521	(2,462)	-1%
602 IT-Telephone	184,952	112,041	212,027	212,027	0	0%
603 IT - Contractual Services	230,576	208,270	536,600	551,600	15,000	3%
611 Professional Development	172,212	148,083	230,228	212,507	(17,721)	-8%
621 **Operating Fees & Services**	**226,234**	**145,532**	**325,569**	**321,019**	**(4,550)**	-1%
623 **Professional Services**	**2,171,484**	**1,691,774**	**2,621,132**	**2,577,139**	(43,993)	-2%
625 Medical, Dental, and Optical	1,910,999	1,300,595	1,893,784	1,875,101	(18,683)	-1%
TOTAL	**9,632,619**	**6,855,284**	**10,932,593**	**10,835,205**	**(97,388)**	**-1%**
General Fund	4,459,673	2,722,833	3,101,077	2,523,897	(577,180)	-19%
Federal Funds	3,449,858	2,466,729	5,160,527	5,041,632	(118,895)	-2%
Special Funds	1,723,088	1,665,722	2,670,989	3,269,676	598,687	22%
CAPITAL ASSETS						
683 Other Capital Payments	448,830	203,920	407,066	405,589	(1,477)	0%
684 Extraordinary Repairs	116,453	74,919	316,350	300,350	(16,000)	-5%
691 Equipment >$5000	660,568	676,742	1,762,622	1,055,795	(706,827)	-40%
693 IT Equip >$5000	19,000	10,333	27,500	17,500	(10,000)	-36%
TOTAL	**1,244,851**	**965,914**	**2,513,538**	**1,779,234**	**(734,304)**	**-29%**
General Fund	862,434	128,052	599,414	308,611	(290,803)	-49%
Federal Funds	214,492	383,660	1,243,577	281,548	(962,029)	-77%
Special Funds	167,925	454,202	670,547	1,189,075	518,528	77%
GRANTS						
712 Grants - Non State	7,793,155	4,502,747	10,297,000	10,407,000	110,000	1%
722 Grants - In State	938,017	458,397	500,000	500,000	0	0%
TOTAL	**8,731,172**	**4,961,144**	**10,797,000**	**10,907,000**	**110,000**	**1%**
General Fund	11,073	32,741	0	0	0	
Federal Funds	8,461,399	4,747,350	10,297,000	10,407,000	110,000	1%
Special Funds	258,700	181,053	500,000	500,000	0	0%
TOTAL	**44,238,999**	**33,177,523**	**54,041,208**	**53,650,101**	**(391,107)**	**-1%**
General Fund	11,869,952	8,940,309	14,404,524	13,229,534	(1,174,990)	-8%
Federal Funds	24,717,469	16,878,682	29,096,424	28,768,606	(327,818)	-1%
Special Funds	7,651,578	7,358,532	10,540,260	11,651,961	1,111,701	11%

North Dakota Department of Health
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Professional Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Legal	407,068	115,332	522,400	72,850	159,550	290,000
Air Quality - Monitoring Site Operators	95,000	(80,000)	15,000		15,000	
Air Quality - Radon Public Education	20,000	-	20,000	5,000	15,000	
Chem Lab Proficiency Testing	15,700	800	16,500	8,250		8,250
Micro Lab Medical Consultant	22,000	3,000	25,000	25,000		
Micro Lab Proficiency Testing	18,500	3,500	22,000	6,600	15,400	
Lab Hood Recertifications for Equipment	18,500	1,000	19,500		14,000	5,500
Micro Lab Courier Service	146,800	9,200	156,000			156,000
Wetlands Consultation	150,639	-	150,639		150,639	
Miscellaneous - Air Quality / Radiation Consultation	210,000	-	210,000			210,000
Miscellaneous - Water Quality Consultation	83,000	-	83,000	20,750	62,250	
Miscellaneous - Waste Management Consultation	15,000	-	15,000			15,000
Miscellaneous Professional Fees	8,925	(1,825)	7,100	3,400	2,700	1,000
LUST Engineering Fees	750,000	(150,000)	600,000		540,000	60,000
Targeted Brownfields	100,000	40,000	140,000		140,000	
Data Management	50,000	(10,000)	40,000	10,000	30,000	
Hazardous Materials Training	10,000	25,000	35,000	35,000		
EPA Legal Fees	500,000	-	500,000			500,000
		-	-			
Total Professional Services	**$ 2,621,132**	**$ (43,993)**	**$ 2,577,139**	**$ 186,850**	**$ 1,144,539**	**$ 1,245,750**

Information Technology Contractual Services

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Indoor Air/Radiation	80,000	-	80,000		40,000	40,000
Air Quality Updates/Maintenance	16,600	10,000	26,600	6,600		20,000
Surface Water Mapping Tool Maintenance	10,000	-	10,000		10,000	
ND Pollutant Discharge Elimination Syst. Database Maint.	10,000	-	10,000	2,500	7,500	
Municipal Facilities Inspections Database	35,000	(5,000)	30,000	5,000	25,000	
Municipal Facilities Safe Drinking Water Information Syst.	50,000	80,000	130,000	32,500	97,500	
Municipal Facilities Electronic Reporting Information Syst.	75,000	(75,000)	-			
Waste Management Leaking Underground Storage Trust IT Maintenance	60,000	-	60,000	7,500	49,500	3,000
Waste Management Solid Waste IT Maintenance	50,000	-	50,000	25,000		25,000
Information Exchange Updates/Projects	150,000	5,000	155,000	48,500	106,500	
		-	-			
Total IT Contractual Services	**$ 536,600**	**$ 15,000**	**$ 551,600**	**$ 127,600**	**$ 336,000**	**$ 88,000**

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Grant Line Item

Description	2015-17 Current Budget	Increase / (Decrease)	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
319 Nonpoint Source	9,100,000	(100,000)	9,000,000		9,000,000	
604 B Water Quality Mgmt. Prog.	110,000	-	110,000		110,000	
EPA Wetlands Protection Funds	300,000	-	300,000		300,000	
Env Rangeland Prot Trust Fund to ND Stockmen's Assoc	50,000	-	50,000			50,000
Clean Diesel Equipment Grants	180,000	210,000	390,000		390,000	
Water Dev Trust Fund Grants	200,000	-	200,000			200,000
Water Quality Monitoring Funds	200,000	-	200,000		200,000	
Water Pollution Grants to LPH	200,000	-	200,000		200,000	
Abandoned Vehicle Grants	250,000	-	250,000			250,000
Water Pollution Grants to LPH (EPA Block)	50,000	-	50,000		50,000	
Radon Grants to LPH and others (EPA Block)	80,000	-	80,000		80,000	
Public Water Control (EPA Block)	77,000	-	77,000		77,000	
Total Grants	**$ 10,797,000**	**$ 110,000**	**$ 10,907,000**	**$ -**	**$ 10,407,000**	**$ 500,000**

North Dakota Department of Health
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Equipment > $5,000

Description\Narrative	Quantity	Base Price	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Ozone Analyzer	2	9,000	18,000			18,000
NOx Analyzer	1	13,000	13,000			13,000
Methane Analyzer	1	26,000	26,000			26,000
Ammonia Analyzer	2	22,000	44,000			44,000
Beta Particle Analyzer with Beta Kit	1	22,375	22,375			22,375
Rad Canberra Analyzer	1	95,000	95,000			95,000
X-Ray Equipment	1	40,000	40,000			40,000
High Performance Liquid Chromatogram System	1	85,000	85,000			85,000
Inductively Coupled Plasma Photometer / Mass Spec	1	150,000	150,000			150,000
Gas Chromatograph / Mass Spec / Mass Spec	1	200,000	200,000			200,000
Ion Chromatogram Autosampler	1	24,000	24,000			24,000
Dissloved Oxygen/Temp/pH/Conductivity multiparameter sonde meter	1	10,000	10,000		10,000	
Molecular analyzer	1	87,420	87,420		87,420	
Digital fluroscent microscope	2	60,000	120,000			120,000
Autoclave	1	50,000	50,000			50,000
Time Resolved Fluorescence analyzer	1	50,000	50,000			50,000
Water purification system	2	5,500	11,000			11,000
Color photocopier	1	10,000	10,000			10,000
			-			
Total Equipment > $5,000			**$ 1,055,795**	**$ -**	**$ 97,420**	**$ 958,375**

IT Equipment/Software > $5,000

Description\Narrative	Quantity	Base Price	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Lab Server	1	10,000	10,000			10,000
Network enabled copier	1	7,500	7,500		7,500	
			-			
Total IT Equipment/Software > $5,000			**$ 17,500**	**$ -**	**$ 7,500**	**$ 10,000**

North Dakota Department of Health
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Extraordinary Repairs

State Lab

Description	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Upgrade the ETS for the HVAC controls	20,000	20,000		
Connect annex air cond. (& heat if not already done) into emer. generator	25,000	25,000		
Replace humidifier in North Lab - ~ 8 years old	25,000	10,650		14,350
Upgrade burglar alarm system	1,500			1,500
Repair driveway & parking lots & restriping	26,500			26,500
Replace carpets (lab office areas and vestibule) ~ 20 years old	15,000			15,000
Repair and enhance AC in the annex instrument rooms	10,000			10,000
Install knee holes at benches as per ergonomic consultation	17,500			17,500
Install unified RO system	25,000			25,000
Replace boiler	25,000			25,000
Repair and paint annex walls - noted in CDC's review	10,000			10,000
Repair laboratory 310 to accommodate instrumentation	12,500			12,500
Replace and update signs in front of building	5,500			5,500
Install fix to prevent freeze-up of HVAC during winter months	5,500			5,500
Install fix to prevent overheating of condensing coils during summer mo	1,550			1,550
Repair/strip wax tile flooring	5,000			5,000
Add north lab to the generator	32,000			32,000
[redacted]scaping	4,800			4,800
[redacted]tal State Lab	**$ 267,350**	**$ 55,650**	**$ -**	**$ 211,700**

Environmental Training Center

Description	2017-19 Executive Budget	2017-19 General Fund	2017-19 Federal Fund	2017-19 Special Fund
Flush and refill (with antifreeze) hot water heating system	1,000	1,000		
Replace south A/C condensor	3,000	3,000		
Replace laboratory window	3,000	2,866	134	
Replace northwest atrium window	3,000		3,000	
Recarpet office areas	10,000		10,000	
Install HVAC ductwork east mechanical room	2,000		2,000	
Repair and reinstall front wooden Environmental Training Center sign	1,000		1,000	
Re-weatherstrip exterior doors	1,000		1,000	
Total Environmental Training Center	**$ 24,000**	**$ 6,866**	**$ 17,134**	**$ -**

Storage Building

Description	2015-17 Executive Budget	2015-17 General Fund	2015-17 Federal Fund	2015-17 Special Fund
Gutter covers for cold storage	4,000			4,000
Pallet racking for storage	5,000			5,000
Total Storage Building	**$ 9,000**	**$ -**	**$ -**	**$ 9,000**

Total Section	**$ 300,350**	**$ 62,516**	**$ 17,134**	**$ 220,700**

North Dakota Department of Health
Environmental Health
2017-19 Executive Budget

Summary of Federal & Special Funds

Federal Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
EPA Performance Partnership Grant	9,100,687	8,400,542	(700,145)
FDA Radiation & Mammography Program	144,457	144,380	(77)
EPA PM 2.5 Monitoring	284,901	236,107	(48,794)
Clean Diesel Grant	180,000	390,000	210,000
Nonpoint Source Implementation Grant	10,848,319	10,834,236	(14,083)
Water Quality Management	234,243	238,703	4,460
Wetland Program Development Grants	499,629	500,000	371
Supplemental Water Quality Monitoring Grants	1,126,132	755,981	(370,151)
Drinking Water State Revolving Fund	2,123,653	1,816,487	(307,166)
Clean Water State Revolving Fund	548,749	1,004,336	455,587
Targeted Brownfield Grant	143,550	242,987	99,437
Leaking Underground Storage Tank (LUST)	1,211,739	1,302,131	90,392
(LUST) Trust Prevention	622,614	668,141	45,527
ND Environmental Exchange State Grants	273,501	267,090	(6,411)
CDC Public Health Emergency Preparedness	619,147	575,135	(44,012)
Maternal and Child Health Block Grant (MCH)	58,252	60,807	2,555
Immunization Grant	148,357	96,276	(52,081)
Sexually Transmitted Disease (STD) Grant	150,066	115,008	(35,058)
Aids Prevention	179,191	78,354	(100,837)
Tuberculosis Grant	66,717	93,709	26,992
Epidemiology & Lab Capacity	532,520	837,569	305,049
Influenza Incidence Surveillance		94,172	94,172
Hold back 1% sal increase		(70,287)	(70,287)
Unallocated Executive Compensation Package		227,750	227,750
Unallocated Removal of 1% Proposed Pay Increase		(47,258)	(47,258)
Unallocated 5% of Health Insurance Adjustment		(93,750)	(93,750)
Total Federal Funds	**$ 29,096,424**	**$ 28,768,606**	**$ (327,818)**

Special Funds	2015-17 Current Budget	2017-19 Executive Budget	Inc / (Dec)
Air Contaminant Fees	2,355,569	2,606,014	250,445
Oil and Gas Registration Fees	610,000	400,000	(210,000)
Radiation Control Licensing Fees	2,883,080	3,331,108	448,028
Asbestos Fees & Lead Base	99,750	105,000	5,250
Chemistry Laboratory Analysis Fees	739,048	1,165,216	426,168
Environment & Rangeland Fund	250,000	250,000	-
ND Water Commission	294,500	304,500	10,000
Sanitary Pumper Fees	36,656	42,000	5,344
Operator Certificate Fund	28,200	29,844	1,644
Large Volume Landfills	886,414	911,200	24,786
Solid Waste Permitting Fees	487,000	261,792	(225,208)
Petroleum Tank Release Comp Fund	133,000	150,500	17,500
Abandoned Motor Vehicle Fund	250,000	250,000	-
Microbiology Laboratory Analysis Fees	1,487,043	1,346,687	(140,356)
Strategic Investment and Improvement Fund		500,000	500,000
Hold back 1% sal increase		(49,347)	(49,347)
Unallocated Executive Compensation Package		123,745	123,745
Unallocated Removal of 1% Proposed Pay Increase		(24,093)	(24,093)
Unallocated 5% of Health Insurance Adjustment		(52,205)	(52,205)
Total Special Funds	**$ 10,540,260**	**$ 11,651,961**	**$ 1,111,701**

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ND Dep[illegible]t of Health
2017 - 2019 House [illegible]propriations - HR Division
Oil Impact Positions Added for 2015-2017 Biennium

	Oil Impact - Environmental Health Section										
	Air Quality	Lab Services		Municipal Facilities	Waste Mgmt	Water Quality	Oilfield IT	Emergency and Spill Response Salary Adj	Spill Cleanup for No Responsible Party	Legal Assistance	**Total**
Optional Request - FTE Request	3.0	-	-	2.0	2.0	3.0	-	-	-	-	10.0
FTE Description of Optional FTE	2 - Environ Scientist II & 1 - Elec. Tech II			2 - Environ. Eng. II	2 - Environ Scientists II	2 - Env.SII & - 1 ESAdm I					-
											-
Salaries/Benefits											-
Salary	264,601	-	-	211,152	176,400	305,064	-	-	-	-	957,217
Temporary, Overtime	-	-	-	-	-	-	-	-	-	-	-
Benefits	125,077	1	-	95,931	88,235	142,700	-	-	-	-	451,944
Total	**389,678**	**1**	**-**	**307,083**	**264,635**	**447,764**	**-**	**-**	**-**	**-**	**1,409,161**
											-
Operating											-
Travel	21,825	-	-	8,000	18,250	27,500	-	-	-	-	75,575
IT - Software/Supp.	4,425	-	-	2,000	1,000	1,500	-	-	-	-	8,925
Professional Supplies & Materials	6,150	-	-	400	400	600	-	-	-	-	7,550
Food & Clothing	225	-	-	-	600	1,200	-	-	-	-	2,025
Bldgs./Vehicle Maintenance Supp.	2,550	-	-	200	-	-	-	-	-	-	2,750
Miscellaneous Supplies	-	-	-	1,000	-	1,500	-	-	-	-	2,500
Office Supplies	1,050	-	-	600	490	975	-	-	-	-	3,115
Postage	1,275	-	-	1,800	500	1,050	-	-	-	-	4,625
Printing	375	-	-	300	250	900	-	-	-	-	1,825
IT Equip Under $5000	5,550	-	-	2,900	2,800	4,950	-	-	-	-	16,200
Other Equip Under $5000	225	-	-	1,000	-	1,500	-	-	-	-	2,725
Office Equip Under $5000	6,000	-	-	4,000	4,000	6,000	-	-	-	-	20,000
Utilities	6,726	-	-	1,200	-	-	-	-	-	-	7,926
Insurance	-	-	-	-	-	-	-	-	-	-	-
Lease/Rentals - Equipment	825	-	-	400	-	-	-	-	-	-	1,225
Lease \Rentals-- Buildings./Land	31,314	-	-	20,876	20,876	31,314	-	-	-	-	104,380
Repairs	1,275	-	-	1,800	-	-	-	-	-	-	3,075
IT-Data Processing	6,300	-	-	4,202	4,200	6,300	-	-	-	-	21,002
IT-Telephone	2,016	-	-	1,344	1,344	2,016	-	-	-	-	6,720
IT - Contractual	6,600	-	-	-	-	-	-	-	-	-	6,600
Professional Development	1,875	-	-	2,000	2,000	3,000	-	-	-	-	8,875
Operating Fees & Services	3,225	-	-	1,000	500	750	-	-	-	-	5,475
Professional Services	525	-	-	400	500	1,000	-	-	-	-	2,425
Medical, Dental, and Optical	-	-	-	-	-	-	-	-	-	-	-
Total	**110,331**	**-**	**-**	**55,422**	**57,710**	**92,055**	**-**	**-**	**-**	**-**	**315,518**
Capital Assets											
Extraordinary Repairs	-	-	-	-	-	-	-	-	-	-	
Equipment > $5000	180,000	-	600,000	-	-	-	-	-	-	-	780,000
IT Equip > $5000	-	-	-	-	-	-	-	-	-	-	-
Total	**180,000**	**-**	**600,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**780,000**
Grants\Special Line Items											
Grants - Non State	-	-	-	-	-	-	-	-	-	-	-
Grants - In-State	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Grand Total	**680,009**	**1**	**600,000**	**362,505**	**322,345**	**539,819**	**-**	**-**	**-**	**-**	**2,504,679**
General Funds	-	-	292,000	362,505	322,345	539,819	-	-	-	-	1,516,669
Federal Funds	-	-	186,000	-	-	-	-	-	-	-	186,000
Special Funds	680,009	1	122,000	-	-	-	-	-	-	-	802,010

NOTE: To meet Governor Dalrymple's 90% Budget Request - Municipal Facilities - 1 FTE now funded with federal funds; Waste Management - 1 FTE now funded with Special Funds; and Water Quality - eliminated 1 FTE and associated operating costs.

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North Dakota Department of Health
Temporary / Overtime Salaries
Environmental Health
2017-19 Executive Budget

Duties Timeframe	2015-2017 Current Budget	2017-2019 Executive Budget	Executive + (-) Difference	Funding Source
Secretarial duties associated with radiation and air quality programs, which are ongoing.	22,000	-	(22,000)	General Fund
Temporary dollars to assist with Air Quality Monitoring tasks. These services were previously performed through a contract.	-	124,000	124,000	Special Funds
Temporary dollars to hire staff during the summer to address the increased sample workload. These are usually students and they assist with sample preparation and analysis responsibilities. These costs are ongoing for the Chemisty Lab.	62,280	62,280	-	General Fund
Provide assistance throughout the year with miscellaneous tasks (sample preparation, glassware cleaning, etc. In addition there are temporary dollars to hire staff during the summer to address the increased sample workload. These are usually students and they assist with sample preparation and analysis responsibilities. These costs are ongoing costs for the Micro Lab.	183,000	183,000	-	Total
	128,100	137,250	9,150	General Fund
	18,300		(18,300)	Federal Funds
	36,600	45,750	9,150	Special Funds
Temporary dollars to hire staff during the summer for water quality sampling, office, and lab work. These costs are ongoing.	25,000	25,000	-	Federal Funds
Secretarial duties associated with Municipal Facilities and Waste Management as well as staffing to assist with flooding and emergency response work. These costs are ongoing.	50,000	45,000	(5,000)	Total
	25,000	45,000	20,000	General Fund
	15,000		(15,000)	Federal Funds
	10,000		(10,000)	Special Funds
Assistance with environmental issues.	25,000	25,000	-	Total
		25,000	25,000	General Fund
	25,000		(25,000)	Federal Funds
Overtime for oil impact. These costs are ongoing.	191,000	120,000	(71,000)	Total
	186,000	120,000	(66,000)	General Fund
	5,000		(5,000)	Special Funds
	558,280	**584,280**	**26,000**	**Total**
	423,380	**389,530**	**(33,850)**	**General Fund**
	83,300	**25,000**	**(58,300)**	**Federal Funds**
	51,600	**169,750**	**118,150**	**Special Funds**

SB2004
03.17.2017
#1

North Dakota Department of Health
SB 2004
Rural EMS Assistance Grants
For the period 7/1/2015 to 6/30/2017

Ambulance Service	Award
Ashley Ambulance Service	102,982
Barnes County Ambulance	124,113
Berthold Ambulance Service	19,528
Billings County Ambulance Service	84,004
Bottineau Ambulance Service	134,309
Bowdon Ambulance Service	120,331
Carrington Health Center Ambulance	126,868
Casselton Volunteer Ambulance, Inc.	117,092
Cavalier Ambulance Service, Inc.	190,546
Community Ambulance Service of New Rockford	219,870
Community Ambulance Service, Beach	62,299
Community Ambulance Service, Inc. Minot	32,463
Community Ambulance Service, Inc. Rolla	157,998
Cooperstown Ambulance Service	103,090
Drayton Volunteer Ambulance Service, Inc.	111,506
Ellendale Community Ambulance Service	104,123
Emmons County Advanced Life Support Ambulance	112,508
Fessenden Ambulance Service	64,380
First Medic Ambulance of Ransom Co.	144,760
Flasher Ambulance Service	127,063
F-M Ambulance Service, Inc.	175,509
Gackle Ambulance Service	149,110
Garrison Ambulance District	49,543
Glenburn Area Ambulance Service, Inc.	47,762
Grenora Ambulance Service	74,281
Hankinson Ambulance Service	129,255
Harvey Ambulance Service, Inc.	56,760
Jamestown Area Ambulance	94,654
Kidder County Ambulance Service	165,501
Kindred Area Ambulance Service	110,474
LaMoure County	152,151
Langdon Ambulance Service	97,742
Leeds Ambulance Service	110,274
Maddock Ambulance Services Inc.	148,557
Marmarth Ambulance Service	93,643
McKenzie County Ambulance Service	56,140
Medina Ambulance Service	134,732
Mercer County Ambulance Service	64,587
Michigan Area Ambulance Service Inc.	217,728
Mohall Ambulance Service	92,232
Munich Ambulance	45,280
Napoleon Ambulance Service	126,528
New Salem Ambulance Service	59,400
Northwood Deaconess Health Center	111,154
Oliver County Ambulance Association	111,972
Pembina Ambulance Service Inc.	161,206

Powers Lake Ambulance	70,029
REMSA - Dickinson Area Ambulance Service Inc.	164,781
Richardton Taylor Rural Ambulance District	202,439
Riverdale Ambulance Service	56,016
Rolette Ambulance Service	158,191
Rugby EMS dba Good Samaratian Hospital Association	169,103
Rural EMS Assistance, Inc.	177,747
Sargent Co. Ambulance, Forman Squad	47,040
Sargent County Ambulance	44,101
Southwest Healthcare Services	71,091
Stanley Ambulance Service	120,126
Towner Fire, Ambulance, and Rescue, Inc.	42,071
Valley Ambulance Service Inc.	134,439
Velva Ambulance Service Inc.	118,154
Washburn Volunteer Ambulance Service	69,081
West River Ambulance	88,729
Westhope Ambulance	61,442
Williston Ambulance Service	12,621
Wilton Rural Ambulance District	176,495
Wing Ambulance Service Inc.	136,723
Wishek Ambulance Service	100,123
Total	**7,316,550**

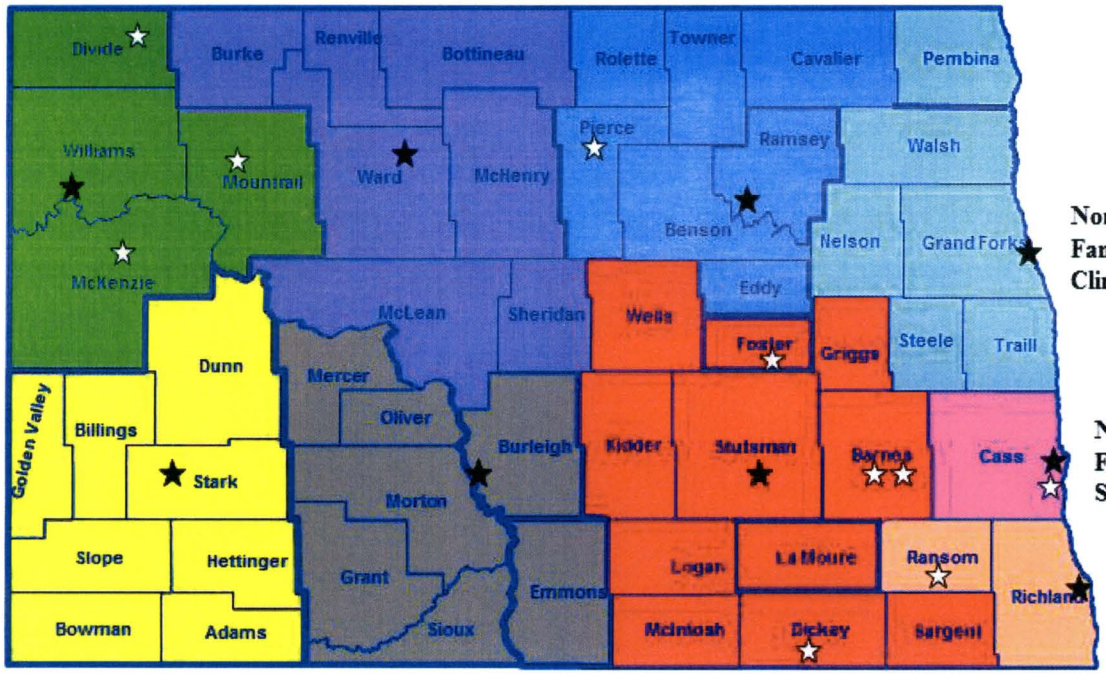
SB2004 03.17.2017 #2

Public Health Emergency Preparedness and Response Funded Priorities (PHEP)

State Capability Funding Total	**$1,959,561**
Community Preparedness The ability of communities to prepare for, withstand, and recover from public health incidents by engaging and coordinating with emergency management, healthcare organizations, mental/behavioral health providers, community and faith-based partners.	**$7,788**
Emergency Operations Coordination The ability to direct and support an event or incident with public health or medical implications by establishing a standardized, scalable system of oversight, organization and supervision consistent with jurisdictional standards and practices with the National Incident Management System.	**$24,106**
Emergency Public Information and Warning The ability to develop, coordinate and disseminate information, alerts, warnings and notifications to the public and incident management responders.	**$82,224**
Information Sharing The ability to conduct multijurisdictional, multidisciplinary exchange of health-related information and situational awareness data among federal, state, local and tribal levels of government and the private sector. Includes routine sharing of information as well as issuing of public health alerts.	**$95,046**
Mass Care The ability to coordinate with partner agencies to address the public health, medical and mental/behavioral health needs of those impacted by an incident at congregate locations. This capability includes coordination of ongoing surveillance and assessment to ensure that health needs continue to be met as the incident evolves.	**$259,536**
Medical Countermeasure Dispensing The ability to provide medical countermeasures (including vaccines, antiviral drugs, antibiotics, antitoxin, etc.) in support of treatment of prophylaxis (oral or vaccination) to the identified population in accordance with public health guidelines and/or recommendations.	**$105,840**
Medical Materiel Management & Distribution The ability to acquire, maintain (cold chain storage or other storage protocol), transport, distribute and track medical material (pharmaceuticals, gloves, masks and ventilators) during an incident and to recover and account for unused medical material after an incident.	**$661,508**
Medical Surge The ability to provide adequate medical evaluation and care during events that exceed the limits of the normal medical infrastructure of an affected community. Encompasses the ability of the healthcare system to survive a hazard impact and maintain or rapidly recover operations that were compromised.	**$200,448**
Non-Pharmaceutical Interventions The ability to recommend to the applicable lead agency and implement, if applicable, strategies for disease, injury and exposure control.	**$7,912**
Public Health Laboratory Testing The ability to conduct rapid and conventional detection, characterization, confirmatory testing, data reporting, investigative support, and laboratory networking to address actual or potential exposure to all-hazards.	**$259,328**

Public Health Surveillance & Epidemiologic Investigation The ability to create, maintain, support and strengthen routine surveillance and detection systems and epidemiological investigation processes as well as to expand these systems and processes in response to incidents of public health significance.		**$193,238**
Responder Safety and Health The ability to protect public health agency staff responding to an incident and the ability to support the health and safety needs of hospital and medical facility personnel, if requested.		**$55,112**
Volunteer Management The ability to coordinate the identification, recruitment, registration, credential verification, training and engagement of volunteers to support the jurisdictional public health agency's response to incidents of public health significance.		**$7,475**
State PHEP Program Administration Costs included in program administration: Salary, fringe and travel for Tim Wiedrich and Juli Sickler, indirect costs, office space, cell phones and desk phones, software maintenance and support, ITD costs, professional development and memberships, teleconference bridging services, medical cache insurance and postage.	**$758,335**	
PHEP Local Public Health Total	**$1,886,798**	
Local Public Health All Hazards Preparedness and Response All public health units are given funding through contracts that require participation in regular videoconference meetings, participate in exercises and trainings hosted by the state, update emergency plans and participate in other EPR activity as funding allows.		**$154,977**
Local Public Health Regional Staff Funding is provided to support 2.5 regional positions for eight local public health units. The positions work as a team coordination local public health emergency preparedness planning and response for the assigned region.		**$1,590,31**
Local Public Health Video Conference Connectivity 10 local public health units are provided contract to reimburse their monthly expenses for videoconference and StageNET connectivity to the state network. The health units apply for and receive USAC credits that are used to alleviate some of these expenses.		**$125,903**
Tribal Emergency Preparedness and Response All Tribes are offered PHEP funding through contracts that require that they participate in monthly state-hosted videoconference meetings, participate in exercises and trainings hosted by the state, update emergency operations plans semiannually, participate in Health Alert Network call-down drills and participate in other EPR activity as funding allows. If the Tribe does not accept the funding within 8 weeks of the postmarked date that the award was mailed, the funding is re-allocated to the Tribes that have returned a signed contract.		**$15,600**

SB2004
03.17.2017
#3



North Dakota Family Planning Clinics

North Dakota Family Planning Satellite Clinics

Each Family Planning agency covers the colored counties in its area.

- Upper Missouri District Family Planning
- Custer Family Planning Center
- Fargo Cass Family Planning Program
- Community Action Partnership Family Planning
- First District Health Unit – Family Planning
- Lake Region District Health Family Planning
- Central Valley Family Planning Program
- Richland County Family Planning
- Valley Health Family Planning

What is [redacted]ost of services at a Family Planning clinic?

Clients are charged for services according to their household income and family size. Private pay, insurance, Medicaid, Medicare and donations are accepted.

A trained and caring staff of health-care professionals provide these services.

Did you know?

The average woman has 32 or more years in her lifetime when she can bear children. The average male is able to father children from puberty throughout his lifetime.

ALL SERVICES ARE STRICTLY CONFIDENTIAL.

North Dakota Fami[redacted]lanning Clinics

Central Valley Family Planning Program
122 2nd St. NW
Jamestown, N.D. 58401 ~ 701.252.8130
*Carrington ~ 701.652.3087
*Valley City Courthouse ~ 701.252.8130
*Valley City State University ~ 701.845.7212

Community Action Partnership Family Planning Program
202 E. Villard
Dickinson, N.D. 58601 ~ 701.227.0131

Custer Family Planning Center
701 E. Rosser Ave.
Bismarck, N.D. 58501 ~ 701.255.3535

Fargo Cass Public Health Family Planning Program
1240 25th St. S.
Fargo, N.D. 58103 ~ 701.241.1383
*Cass County Jail

First District Health Unit Family Planning Program
801 11th Ave. S.W., P.O. Box 1268
Minot, N.D. 58702 ~ 701.852.1376

Lake Region Family Planning Program
Ramsey County Courthouse
524 Fourth Ave. N.E. Unit #9
Devils Lake, N.D. 58301-2490 ~ 701.662.7046
* Rugby ~ 701.776.6783

Richland County Family Planning Program
413 Third Ave. N.
Wahpeton, N.D. 58075 ~ 701.642.7735
*Lisbon ~ 701.683.6145

Upper Missouri District Health Unit Family Planning Program
110 W. Broadway, Suite 101
Williston, N.D. 58801 ~ 701.774.6400
*Crosby ~ 701.965.6813
*Stanley ~ 701.628.2951
*Watford City ~ 701.444.3449

Valley Health
360 Division Ave., Suite 200
Grand Forks, N.D. 58201 ~ 701.775.4251

For more information, contact the agency nearest you, visit www.ndhealth.gov/familyplanning or call 800.472.2286 (toll-free).

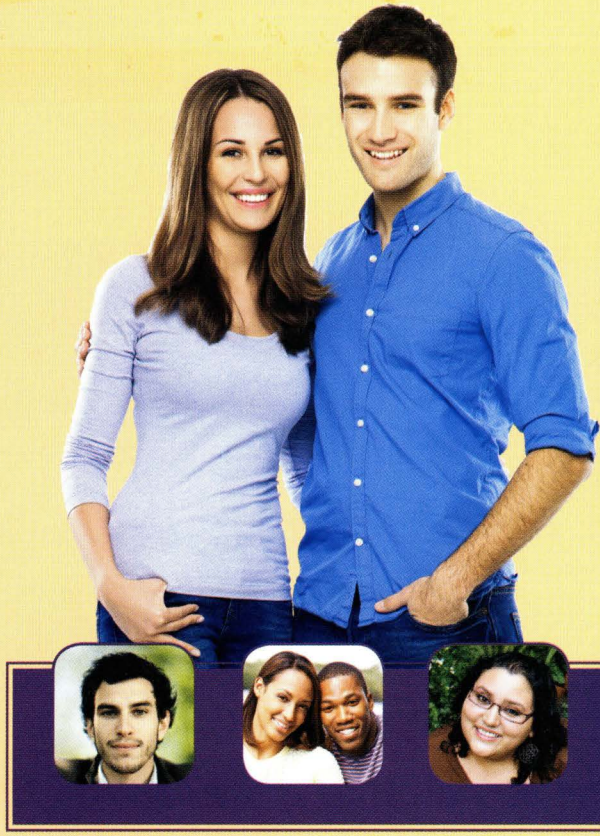
www.facebook.com/ndfamilyplanning

*Satellite clinics

October 2016

2

North Dak[redacted]a Family Planning Program



Helping women and men to understand and take responsibility for their reproductive health.

NORTH DAKOTA DEPARTMENT *of* HEALTH

A Title X-funded Family Planning Program

at is family planning?

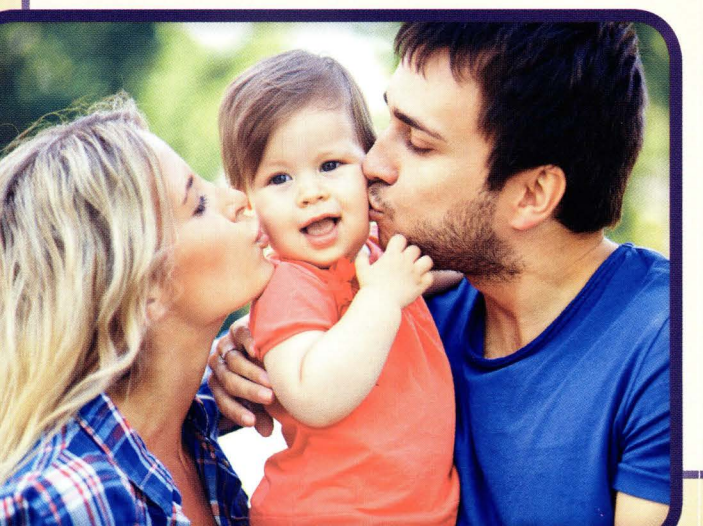
Family planning helps you decide the number of children you want and when you want to have them. It is a decision for you and your partner to make together.

Who can use services at a Family Planning clinic?

Family planning services are available regardless of age, gender, race, nationality, religion, sexual preference, disability or ability to pay.

Why have Family Planning clinics?

- To help individuals who have health needs
- To help individuals prepare for and plan pregnancies
- To support healthier relationships
- To promote healthier communities



What servi re available at a Family Planning clinic?

Clients may receive education and information about:

- All birth control methods, including abstinence and natural family planning
- How to use the birth control method of their choice
- "Safer-sex" practices
- Sexually transmitted diseases (STDs)
- HIV/AIDS
- Health promotion
- Pregnancy
- Nutrition
- Fertility
- Sterilization procedures
- Breast self-exam
- Testicular self-exam

Clients may receive:

- An annual physical exam that may include:
  - Blood pressure
  - Height and weight
  - Urinalysis
  - Sexually-transmitted disease (STD) testing and treatment
  - HIV/AIDS testing
  - Pap smear
  - Physical examination
  - Lab work
  - Breast exam
  - Testicular exam

- A birth control method that best meets their needs

- Basic fertility services, along with appropriate referrals
- Pregnancy testing
- Basic genetic counseling and referral for genetic evaluation
- Emergency contraception

What community services do Family Planning clinics provide?

- Speakers are available upon request by schools and community groups to discuss family planning services or related topics.

SB2004
03.17.2017
4

North Dakota Department of Health
SB 2004
Suicide Funding

	2015-17 Appropriation	2017-19 Executive Recommendation	Difference
State Program			
Salaries and Wages	165,648	166,525	877
Operating Expenditures	43,716	36,259	(7,457)
Professional Services Contracts	150,000	150,000	-
Grants	830,000	830,000	-
Total	**1,189,364**	**1,182,784**	**(6,580)**
General Fund	1,189,364	1,182,784	(6,580)
Federal Funds	-	-	0
Special Funds	-	-	0
Total	**1,189,364**	**1,182,784**	**(6,580)**
Garett Lee Smith Suicide Federal Program-Funding was not received			
Salaries and Wages	127,023	-	(127,023)
Operating Expenditures	66,859	-	(66,859)
Professional Services Contracts	400,000	-	(400,000)
Grants	851,722	-	(851,722)
Total	**1,445,604**	**-**	**(1,445,604)**
General Fund	-	-	-
Federal Funds	1,445,604	-	(1,445,604)
Special Funds	-	-	-
Total	**1,445,604**	**-**	**(1,445,604)**

North Dakota Department of Health
SB 2004
Women's Way Funding

	2015-17 Appropriation	2017-19 Executive Recommendation		Difference
Salaries and Wages	718,979	829,817		110,838
Operating Expenditures	121,876	281,796		159,920
Professional Services Contracts	2,445,047	2,543,711		98,664
Grants	-	160,385		160,385
Total	**3,285,902**	**3,815,709**		**529,807**
General Fund	872	-		(872)
Federal Funds	2,885,030	3,484,464		599,434
Special Funds	400,000	331,245	*	(68,755)
Total	**3,285,902**	**3,815,709**		**529,807**

*$329,500 Community Health Trust Fund, $1,745 Tobacco Prevention & Control Trust Fund for OMB Equity increase previously funded with general fund.

Department of Health
SB 2004
Domestic Violence and Sexual Assault Funding

	2015 - 17 Appropriation	2017 - 19 Executive Recommendation	Total
Domestic Violence State Grant			
Grants to Domestic Violence Ctrs	2,250,000	2,250,000	-
General	1,910,000	1,910,000	-
Special Funds	340,000	340,000	-
Total	2,250,000	2,250,000	-
Family Violence & Services Prevention Grant - domestic violence services			
Salaries and Wages	56,718	54,332	(2,386)
Operating Expenditures	5,021	18,763	13,742
Grants to Domestic Violence Ctrs	1,398,385	1,439,697	41,312
Total	1,460,124	1,512,792	52,668
General	-	3,498	3,498
Federal Funds	1,460,124	1,509,294	49,170
Total	1,460,124	1,512,792	52,668
Safe Havens - safe visitation centers			
Grants - General Fund	425,000	425,000	-
Sexual Violence Prevention & Education			
Salaries and Wages	39,181	49,576	10,395
Operating Expenditures	7,686	9,320	1,634
Professional Fees- Empowerment Evaluation	100,000	128,000	28,000
Grants for prevention and education	201,351	213,000	11,649
Total - Federal Funds	348,218	399,896	51,678
Sexual Assault Service Grant Program			
Salaries and Wages	22,601	20,143	(2,458)
Operating Expenditures	2,499	12,154	9,655
Grants for victim services - for SA - competitively awarded	513,850	663,799	149,949
Total - Federal Funds	538,950	696,096	157,146
STOP Violence Against Women Formula Grant			
Salaries and Wages	154,636	134,622	(20,014)
Operating Expenditures	755	24,834	24,079
Grants - SA - Victim Assistance, Law Enforcement, Prosecutors, Courts, and Hospitals	1,493,058	1,574,188	81,130
Total - Federal Funds	1,648,449	1,733,644	85,195
Total Domestic Violence and Sexual Assault Funding	**$ 6,670,741**	**$ 7,017,428**	**$ 346,687**
General Fund	2,335,000	2,338,498	3,498
Federal Funds	3,995,741	4,338,930	343,189
Special Funds	340,000	340,000	-

North Dakota Department of Health
SB 2004
Colorectal Cancer Funding

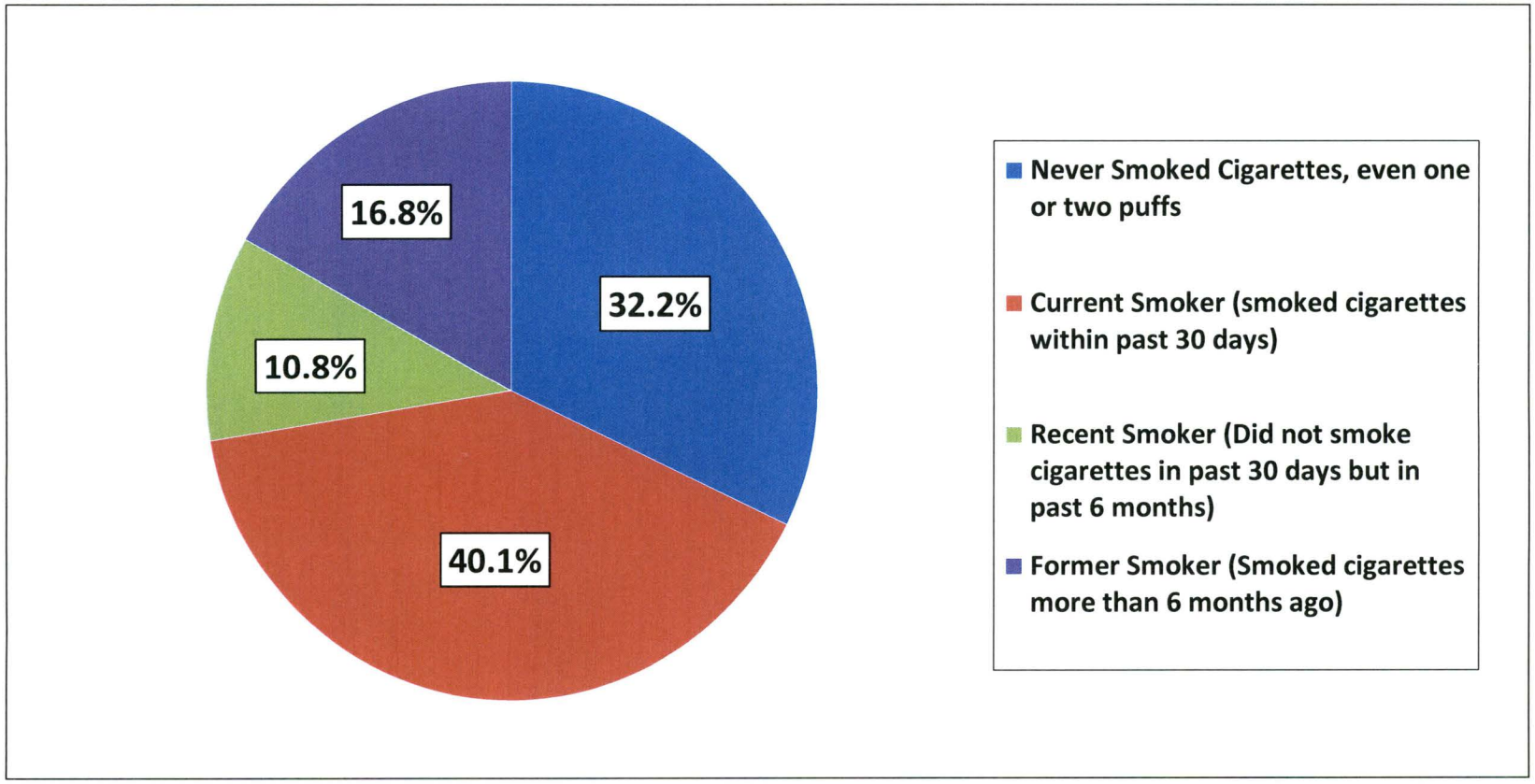
	2015-17 Appropriation	2017-19 Executive Recommendation	Difference
State Program			
Salaries and Wages	33,487	-	(33,487)
Operating Expenditures	9,905	1,792	(8,113)
IT Contractual Services		5,000	5,000
Professional Services Contracts	36,000	337,800	301,800
Grants	685,200	174,615	(510,585)
Total	**764,592**	**519,207**	**(245,385)** *
General Fund	764,592		(764,592)
Federal Funds	-		-
Special Funds - Tobacco Prev & Control Trust	-	519,207	519,207
Total	764,592	519,207	(245,385)

*** - $145,385 of expenditures were shifted to the comp cancer and women's way federal programs as part of the allotment in 2015-17 biennium and to meet the 2017-19 90% budget request; $100,000 was reduced in Governor Burgum's Budget.**

Colorectal Cancer Federal Program - Funding was not received			
Salaries and Wages	139,720		(139,720)
Operating Expenditures - DoH	333,318		(333,318)
Professional Services Contracts	462,144		(462,144)
Grants	565,500		(565,500)
Total	**1,500,682**	**-**	**(1,500,682)**
General Fund	-		-
Federal Funds	1,500,682		(1,500,682)
Special Funds	-	-	-
Total	1,500,682	-	(1,500,682)

SB2004
03.17.2017
#5

Cigarette Smoking Status of Current E-Cigarette Users (Grades 9-12)



Source: 2015 North Dakota Youth Tobacco Survey (YTS)

SB2004
03.17.2017
#6

North Dakota Department of Health Tobacco Prevention and Control Program

Answers to questions from Representative Meier during Department Tobacco Testimony from March 9, 2017

1. *For how many states does the NDQuits vendor currently provide quitline/web services?*

NDQuits Vendor-National Jewish Health Current Number of States with quitline services contract (March 2017): 17 states.

2. *How many NDPERS employees utilize the Sanford Health Plan tobacco cessation services?*

From the Sanford Health Plan tobacco cessation program reporting:

Time Period	Amount Awarded	No. of Participants	Total Spent	Funds Remaining
July 2015-June 2016	$35,000	95	$20,422	$14,578*
July 2016-February 2017	$25,000	89	$14,799	$10,200

*Funds Remaining were redirected to other NDDoH tobacco cessation grant programs prior to June 30, 2016

SB2004
03.17.2017
#7

North Dakota Department of Health
SB 2004
House Appropriations Committee - Human Resources Division
Grant Awards (Funded entirely or in part by ACA/PPHF)

Division Name	Grant Title	CFDA #	Project Director	Award Start Date/Budget Period	Award End Date	Total Award	*Base Program	FTE	Grant Agency	Fund #	2017-19 PPHF Budget
Disease Control	PPHF 2014: Immunization-Capacity Building Assistance for Infrastructure Enhancements to Meet **Interoperability** Requirements	93.733	Molly Howell	9/30/2014	9/29/2017	1,424,420	N	0.55	CDC	H4545	$300,000
Disease Control	Domestic **Ebola Supplement** to Epidemiology and Laboratory Capacity **(ELC)** for Infectious Diseases	93.323	Michelle Feist	3/31/2015	3/30/2018	621,288	N	1.00	CDC	H4556	$309,076
Public Health Systems	**Million Hearts** State Learning Collaborative - "Million Hearts-State and Local Hypertension Focused Model Development" **(year 2)**	93.524	Kelly Nagel	9/20/2015	6/30/2017	50,000	N	0.00	ASTHO from CDC	H2516	$0
Disease Control	**Immunization** and Vaccines for Children Program (annual submission-base) - (5 program areas: 317 Ops, VFC Ops, VFC ordering, VFC/AFIX, Pan Flu)	93.539	Molly Howell	1/1/2016	12/31/2016	504,878	Y	0.00	CDC	H4606	
Disease Control	**Immunization** and Vaccines for Children Program (**3 month** extension base)	93.539	Molly Howell	1/1/2017	3/31/2017	244,227	Y	7.00	CDC	H4606	$1,953,816
Cancer Prevention	Behavioral Risk Factor Surveillance System **(BRFSS)** - PPHF	93.745	Alice Musumba	3/29/2016	3/28/2017	175,508	Y	1.00	CDC	H3536	$616,140
Cancer Prevention	Behavioral Risk Factor Surveillance System **(BRFSS) Supplemental** - PPHF	93.336	Alice Musumba	3/29/2016	3/28/2017	104,961	Y	0.00	CDC	H4676	
Chronic Disease	**DHDOSH:** State Public Health Actions to Prevent & Control Diabetes, Heart Disease, Obesity & Associated Risk Factors & Promote School Health - PPHF **(Enhanced Funding)**	93.757	Krista Fremming	6/30/2016	6/29/2017	617,643	Y	1.77	CDC	H3967, H3987	$1,296,821
Public Health Systems	**SLRP**	93.165	Bobbie Will	9/1/2016	8/31/2017	160,000	Y	0.00	HRSA	H3466	$616,000
Disease Control	PPHF16: Increasing **HPV** Vaccine Coverage by Strengthening Adolescent **AFIX** Activities	93.733	Molly Howell	9/30/2016	9/29/2018	434,310	N	0.13	CDC	H4288	$350,000
Nutrition & Physical Activity	** Preventive Health and Health Services Block Grant (**PHHS**)	93.758	Cheri Kiefer	10/1/2015	9/30/2017	395,845	Y	0.30	CDC	H3146	$790,000
Disease Control	Epidemiology and Laboratory Capacity **(ELC)** for Infectious Diseases in ND (PPHF)	93.521	Michelle Feist	8/1/2016	7/31/2017	273,213	Y	1.80	CDC	H4437	$546,426

North Dakota Department of Health
SB 2004
House Appropriations Committee - Human Resources Division
Grant Awards (Funded entirely or in part by ACA/PPHF)

Division Name	Grant Title	CFDA #	Project Director	Award Start Date/Budget Period	Award End Date	Total Award	*Base Program	FTE	Grant Agency	Fund #	2017-19 PPHF Budget
Environmental Health/Laboratory	Bidirectional Laboratory Interface	93.521	Brett Stenberg	6/1/2016	12/31/2016	10,000	N	0.00	MT from CDC	H3950	$0
Chronic Disease	Tobacco Use Prevention Public Health Approaches for Ensuring **Quitline Capacity**	93.735	Krista Fremming	8/1/2016	7/31/2017	50,000	Y	0.00	CDC	H3577	$100,000
Family Health	** **Abstinence** Education Grant Program	93.235	Cora Rabenberg	10/1/2016	9/30/2018	103,961	Y	0.05	DHHS-ACF	H4186	$180,290
TOTAL						**$5,170,254**		**13.60**			**$7,058,569**

SB2004
03.17.2017
#8

North Dakota Department of Health
SB 2004
House Appropriations Committee - Human Resources Division
Local Public Health Allocation
2017 - 2019

GRANTS

	Project	13-15 Actuals GF	13-15 Actuals FF	13-15 Actuals SF	15-17 Appropriation GF	15-17 Appropriation FF	15-17 Appropriation SF	17-19 Recommended w/ Senate GF	17-19 Recommended w/ Senate FF	17-19 Recommended w/ Senate SF
Administrative Support										
Local Public Health State Aid	HL1244-01/02	4,000,000			4,250,000			3,250,000		1,000,000
Local Public Health Tobacco	New									3,000,000
Local Public Health Tobacco - Senate										**(3,000,000)**
Local Public Health State Aid - Senate										**1,000,000**
Public Health Networks	HI1244-03	699,992								
Medical Services										
IMMUNIZATION	H331/H46		675,611			606,000			636,000	
STD	H334		10,077							
TB	H339		2,893							
Billing to Local Public Health (Imm)	H447									
Epidemiology Lab Capacity	H442/H443/		35,436			155,800			305,800	
Ryan White	H343		2,582							
Community Health										
WW-Comp-Registry-MLC	H320		46,605			46,612			60,000	
Coordinated Chronic	H480		5,000							
DHDOSH	H350		12,000			24,000				
MCH	H313-03	202,563	759,642			1,556,533			1,303,445	
MCH-FP	H313-02		6,509							
MCH-CSHS	H313-07	25,592	31,050		31,156	41,300		31,156	41,300	
Family Planning/FP Perc Trng	H311		777,986			793,206			833,443	
Telehealth	New								203,776	
Suicide Prevention	1284	89,297			130,000			179,655		
Child Passenger Safety	H317								40,000	
Stop Violence	H412		13,889			10,800			16,858	
WIC	H315		4,733,180			5,223,257			5,393,480	
WIC Breastfeeding Peer Counseling	H316		105,898			197,971			139,500	
WIC MIS SAMS Project	H338		7,539							
PH Block	H314		95,705			300,000			294,840	
Tobacco Cessation	1248	(6,565)		111,855			234,000			50,000
Tobacco Intervention - Senate										**5,500,000**
Environmental Health										
AQ Indoor Radon	H099-51					40,000			40,000	
WQ EPA BLOCK	H099-61	4,066	32,228			50,000			50,000	
MF Public Water Control	H099-41	1,990	21,125			37,000			37,000	
WM Abandoned Auto	H1282			3,500			15,000			15,000
Emergency Preparedness & Response										
Public Health Emerg. Prepare. (PHEP)	H327-11/22		3,237,983			3,364,332			3,470,792	
PHEP - CRI	H327-14		333,127			339,200			305,280	
PHEP-HAN	H327-32		248,665			251,800			251,800	
PHP Ebola						230,159			0	
HPP Ebola						0			0	
Total Grants		5,016,935	11,194,730	115,355	4,411,156	13,267,970	249,000	3,460,811	13,423,314	7,565,000
Total Grants Per Biennium				**16,327,020**			**17,928,126**			**24,449,125**

	17-19 Recommended Change from 15-17 Approp GF	FF	SF	Total	17-19 Recommended Change from 13-15 Actuals GF	FF	SF	Total
Administrative Support								
Local Public Health State Aid	(1,000,000)	0	1,000,000	0	(750,000)	0	1,000,000	250,000
Local Public Health Tobacco	0	0	3,000,000	3,000,000	0	0	3,000,000	3,000,000
Local Public Health Tobacco - Senate				0				0
Local Public Health State Aid - Senate	**0**	**0**	**1,000,000**	**1,000,000**	**0**	**0**	**1,000,000**	**1,000,000**
Public Health Networks	0	0	0	0	(699,992)	0	0	(699,992)
Medical Services								
IMMUNIZATION	0	30,000	0	30,000	0	(39,611)	0	(39,611)
STD	0	0	0	0	0	(10,077)	0	(10,077)
TB	0	0	0	0	0	(2,893)	0	(2,893)
Billing to Local Public Health (Imm)	0	0	0	0	0	0	0	0
Epidemiology Lab Capacity	0	150,000	0	150,000	0	270,364	0	270,364
Ryan White	0	0	0	0	0	(2,582)	0	(2,582)
Community Health								
WW-Comp-Registry-MLC	0	13,388	0	13,388	0	13,395	0	13,395
Coordinated Chronic								
DHDOSH	0	(24,000)	0	(24,000)	0	(12,000)	0	(12,000)
MCH	0	(253,088)	0	(253,088)	(202,563)	543,803	0	341,240
MCH-FP	0	0	0	0	0	(6,509)	0	(6,509)
MCH-CSHS						10,250		
Family Planning/FP Perc Trng	0	40,237	0	40,237	0	55,457	0	55,457
Telehealth								
Suicide Prevention	49,655	0	0	49,655	90,358	0	0	90,358
Child Passenger Safety								
Stop Violence	0	6,058	0	6,058	0	2,969	0	2,969
WIC	0	170,223	0	170,223	0	660,300	0	660,300
WIC Breastfeeding Peer Counseling	0	(58,471)	0	(58,471)	0	33,602	0	33,602
WIC MIS SAMS Project	0	0	0	0	0	(7,539)	0	(7,539)
PH Block	0	(5,160)	0	(5,160)	0	199,135	0	199,135
Tobacco Cessation	0	0	(184,000)	(184,000)	6,565	0	(61,855)	(55,290)
Tobacco Intervention - Senate	0	0	5,500,000	5,500,000	0	0	5,500,000	5,500,000
Environmental Health								
AQ Indoor Radon	0	0	0	0	0	40,000	0	40,000
WQ EPA BLOCK	0	0	0	0	(4,066)	17,772	0	13,706
MF Public Water Control	0	0	0	0	(1,990)	15,875	0	13,885
WM Abandoned Auto	0	0	0	0	0	0	11,500	11,500
Emergency Preparedness & Response								
Public Health Emerg. Prepare. (PHEP)	0	106,460	0	106,460	0	232,809	0	232,809
PHEP - CRI	0	(33,920)	0	(33,920)	0	(27,847)	0	(27,847)
PHEP-HAN	0	0	0	0	0	3,135	0	3,135
PHP Ebola	0	(230,159)	0	(230,159)	0	0	0	0
HPP Ebola	0	0	0	0	0	0	0	0
Total Grants	(950,345)	155,344	7,316,000	6,520,999	(1,556,124)	2,228,584	7,449,645	8,122,105
	-21.5%	1.2%	2938.2%	36.4%	-31.0%	19.9%	6458.0%	49.7%

North Dakota Department of Health
SB 2004
House Appropriations Committee - Human Resources Division
Local Public Health Allocation
2017 - 2019

PROFESSIONAL FEES

		13-15 Actuals			15-17 Appropriation			17-19 Requested			17-19 Request Change from 15-17 Approp				17-19 Request Change from 13-15 Actuals			
	Project	GF	FF	SF	GF	FF	SF	GF	FF	SF	GF	FF	SF	Total	GF	FF	SF	Total
Administrative Support																		
Prev Health Block	H314		7,560								0	0	0	0	0	(7,560)	0	(7,560)
Million Hearts	H251		80,344								0	0	0	0	0	(80,344)	0	(80,344)
Bush Foundation	HL1268			143,245							0	0	0	0	0	0	(143,245)	(143,245)
Gaining Groung	HL1303			4,434							0	0	0	0	0	0	(4,434)	(4,434)
Accreditation Prep / Cross Jurisdictional Sha	HL 1335						13,000			27,200	0	0	14,200	14,200	0	0	27,200	27,200
Medical Services																		
Tuberculosis	H339		146,264			127,200			127,200		0	0	0	0	0	(19,064)	0	(19,064)
Aids Prev	H337		130,385			200,000			200,000		0	0	0	0	0	69,615	0	69,615
Ryan White	H343		405,346			520,000			546,500		0	26,500	0	26,500	0	141,154	0	141,154
Billing to Local Public Health (Imm)	H447		325,693								0	0	0	0	0	(325,693)	0	(325,693)
State Viral Hep	H1239	29,207			32,000			50,000			18,000	0	0	18,000	20,793	0	0	20,793
Tuberculosis Outbreak/ Case Management	HL1243-04	122,046						10,000			10,000	0	0	10,000	(112,046)	0	0	(112,046)
Health Resources																		
Food & Lodging	HL1217	1,999		1,154	8,020			2,000			(6,020)	0	0	(6,020)	1	0	(1,154)	(1,153)
Food & Lodging - FDA	H4043		2,320						20,000		0	20,000	0	20,000	0	17,680	0	17,680
Community Health																		
WW-Comp	H320 H321	32,263	767,111	259,868		1,032,745	400,000		1,116,909	329,500	0	84,164	(70,500)	13,664	(32,263)	349,798	69,632	387,167
Suicide	H1284	3,229									0	0	0	0	(3,229)	0	0	(3,229)
PH Block	H314		8,887								0	0	0	0	0	(8,887)	0	(8,887)
Tobacco	H1248									8,000	0	0	8,000	8,000	0	0	8,000	8,000
Environmental Health																		
WM Large Volume Landfill Inspection	H1281	2,303		6,509			15,500			15,500	0	0	0	0	(2,303)	0	8,991	6,688
Total Fees		**191,047**	**1,873,910**	**415,210**	**40,020**	**1,879,945**	**428,500**	**62,000**	**2,010,609**	**380,200**	**21,980**	**130,664**	**(48,300)**	**104,344**	**(129,047)**	**136,699**	**(35,010)**	**(27,358)**
Total Fees Per Biennium				**2,480,167**			**2,348,465**			**2,452,809**	**54.9%**	**7.0%**	**-11.3%**	**4.4%**	**-67.5%**	**7.3%**	**-8.4%**	**-1.1%**
Total to Local Public Health		**5,207,982**	**13,068,640**	**530,565**	**4,451,176**	**15,147,915**	**677,500**	**3,522,811**	**15,433,923**	**7,945,200**	**(928,365)**	**286,008**	**7,267,700**	**6,625,343**	**(1,685,171)**	**2,365,283**	**7,414,635**	**8,094,747**
Total Grants & Fees Per Biennium				**18,807,187**			**20,276,591**			**26,901,934**	**-20.9%**	**1.9%**	**1072.7%**	**32.7%**	**-32.4%**	**18.1%**	**1397.5%**	**43.0%**

SB2004
03.17.2017
#9

NDDoH
SB 2004
Additional Federal / Special Authority Needed
2017 - 2019

Description	Ebola grant - HPP	Volkswagen Settlement Plan	Total
Operating Expenses	94,827		94,827
Grants	948,271	2,500,000	3,448,271
Total	$ 1,043,098	$ 2,500,000	$ 3,543,098
Federal Funds	$ 1,043,098	-	$ 1,043,098
Special Funds	-	2,500,000	$ 2,500,000

Description of Funding and Expenditures

<u>Ebola - Hospital Preparedness Program (HPP):</u> Continue to enhance the nation's health care system to safely and successfully treat patients with Ebola and other communicable diseases. Continue to improve health care system preparedness.

Operating Expenses includes the purchase of Personal Protection Equipment (PPE).
Grants - issued to the two already designated hospitals to continue renovations necessary to create the proper environment for treating those with Ebola and other communicable diseases.

<u>Volkswagen Settlement Plan:</u> Settlement dollars as a result of an agreement finalized between the US Department of Justice and the Volkswagen Corporation. The State of ND will receive up $7.5 million in trust funds to use toward mitigation plans. Environmental Health has been designated by the Governor's Office to accept the funds and implement the mitigation plan for ND, which will be based on actions to reduce emissions of NOx and provide the greatest air quality benefit for the public. The funds will be extended as grants over 5 years.

Grants - to entities who submit project proposals that are accepted once the final development of the mitigation plan is complete.

SB2004
04.05.2017
#1

State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Senate Version				House Version				House Changes to Senate Version			
									Increase (Decrease) - Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611				$0
Salary increase - Performance				0				0				0
Health insurance increase		588,283	549,367	1,137,650		533,682	482,759	1,016,441		(54,601)	(66,608)	(121,209)
Employee portion of health insurance				0				0				0
Removes 1 FTE position from the Environmental Health Division	(1.00)	(111,233)	(27,808)	(139,041)	(1.00)	(111,233)	(27,808)	(139,041)				0
Removes 4 FTE positions from the Medical Marijuana Division	(4.00)	(149,786)	(374,492)	(524,278)	(4.00)	(149,786)	(374,492)	(524,278)				0
Remove 8 FTE positions agencywide and related funding				0	(8.00)	(634,315)	(433,077)	(1,067,392)	(8.00)	(634,315)	(433,077)	(1,067,392)
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391				0
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)				0
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)				0
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			(100,000)	(100,000)			(100,000)	(100,000)				0
Reduces operating expenses agencywide				0		(170,000)	(680,000)	(850,000)		(170,000)	(680,000)	(850,000)
Reduces funding for operating expenses and system costs related to the Medical Marijuana Division		(188,000)	(100,000)	(288,000)		(188,000)	(100,000)	(288,000)				0
Adds funding from federal funds for an ebola grant				0			1,043,098	1,043,098			1,043,098	1,043,098
Adds funding from special funds for a settlement agreement with Volkswagen				0			2,500,000	2,500,000			2,500,000	2,500,000
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)				0
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)				0
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412				0
Adjusts funding source for grants to local public health units		(1,000,000)	2,000,000	1,000,000		(1,000,000)	2,000,000	1,000,000				0

Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333				0
Adds funding from the tobacco prevention and control trust fund for cessation products				0			500,000	500,000			500,000	500,000
Adds funding from the tobacco prevention and control trust fund for tobacco prevention and control grants to local public health units				0			1,000,000	1,000,000			1,000,000	1,000,000
Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0				0
Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0				0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0				0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0				0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0				0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)				0
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)				0
Adds funding and FTE positions for Medical Marijuana Division	17.00	2,000,000	3,802,097	5,802,097	10.00	1,053,235	1,197,371	2,250,606	(7.00)	(946,765)	(2,604,726)	(3,551,491)
Total ongoing funding changes	12.00	($3,446,680)	$10,980,227	$7,533,547	(3.00)	($5,252,361)	$12,238,914	$6,986,553	(15.00)	($1,805,681)	$1,258,687	($546,994)
One-time funding items												
Adds women, infants, and children program project			$1,739,220	$1,739,220			1,739,220	1,739,220				0
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			95,066	95,066			(1,102,837)	(1,102,837)
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$1,834,286	$1,834,286	0.00	$0	($1,102,837)	($1,102,837)
Total Changes to Base Level Funding	12.00	($3,446,680)	$13,917,350	$10,470,670	(3.00)	($5,252,361)	$14,073,200	$8,820,839	(15.00)	($1,805,681)	$155,850	($1,649,831)
2017-19 Total Funding	377.00	$45,088,888	$155,888,204	$200,977,092	362.00	$43,283,207	$156,044,054	$199,327,261	(15.00)	($1,805,681)	$155,850	($1,649,831)

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version
Health insurance increase		A section is added to identify the appropriation provided to fund increases in employee health insurance premiums from $1,130 to $1,241 per month.
Environment and rangeland protection fund	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	The House did not change this section.

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version
Insurance tax distribution fund	Adds a section to provide $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.	The House did not change this section.
Strategic investment and improvements fund	Adds a section to provide $500,000 from the strategic investment and improvements fund, instead of the general fund, to the State Department of Health for legal fees related to the Environmental Protection Agency lawsuit.	The House did not change this section.
Student loan trust fund	Adds a section to provide $360,000 from the student loan trust fund to the State Department of Health for dental loan repayment program grants.	The House did not change this section.
Tobacco prevention and control trust fund	Adds a section to provide $11,098,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.	Amends this section to provide $12,598,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
Dentists loan repayment program		Adds sections to amend NDCC 43-28.1-01 and 43-28.1-03 related to dentists loan repayment program and criteria to be used in selecting qualified dentists.
Tobacco settlement trust fund	Adds a section to amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.	The House did not change this section.
Community health grant program	Adds a section to repeal Chapter 23-38 related to the community health grant program.	The House did not change this section.
Legislative Intent - Comprehensive Tobacco Control Advisory Committee records transferred to the Department of Health		Adds a section to provide, as of July 1, 2017, all business related records belonging to the Comprehensive Tobacco Control Advisory Committee be transferred to the State Department of Health. The State Department of Health shall have access to the business related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017 for the purposes of transitioning the operations to the State Department of Health.

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version
Statewide tobacco prevention and control plan - Implementation - Evaluation - Report to Legislative Management		Adds a section to provide that by July 31, 2017, the State Department of Health must develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.
Emergency	Adds a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Amends this section to provide the appropriation contained in the medical marijuana line item and the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the Department of Health are declared to be emergency measures.

SB2004
04.05.2017
#2

Prepared by the Legislative Council staff
for House Appropriations Committee -
Human Resources Division
April 4, 2017

SENATE BILL NO. 2004
LISTING OF PROPOSED CHANGES TO ENGROSSED VERSION

Department - State Department of Health

Proposed funding changes:		**General**	**Special**	
	FTE	**Fund**	**Funds**	**Total**
Description				
1 Adjust health insurance premiums for rate decrease.		($54,601)	($66,608)	($121,209)
2 Remove 8 FTE positions agencywide and related funding for salaries and wages.	(8.00)	(634,315)	(433,077)	(1,067,392)
3 Reduce operating expenses agencywide.		(170,000)	(680,000)	(850,000)
4 Remove 7 FTE medical marijuana positions and adjust funding based on the fiscal note for Senate Bill No. 2344 as approved by the House.	(7.00)	(946,765)	(3,707,563)	(4,654,328)
5 Adds funding in the operating expenses line item ($94,827) and the grants line item ($948,271) for a federal Ebola grant anticipated by the department.			1,043,098	1,043,098
6 Adds funding for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's Office.			2,500,000	2,500,000
7 Adds funding in the tobacco prevention line item from the tobacco prevention and control trust fund for cessation products.			500,000	500,000
8 Adds funding from the tobacco prevention and control trust fund to the tobacco prevention line item for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units.			1,000,000	1,000,000
Total proposed funding changes	(15.00)	($1,805,681)	$155,850	($1,649,831)

Other proposed changes:

1 Adds a section to identify additional funding provided for health insurance increases.

2 Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,598,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.

3 Adds a section to provide, as of July 1, 2017, all business related records belonging to the Comprehensive Tobacco Control Advisory Committee be transferred to the Department of Health. The Department of Health shall have access to the business related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the Department of Health.

4 Adds a section to provide that by July 31, 2017, the State Department of Health must develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.

5 Adds sections to amend NDCC 43-28.1-01 and 43-28.1-03 related to dentists loan repayment program and criteria to be used in selecting qualified dentists.

6 Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the Department of Health is an emergency measure.

SB2004
04.05.2017
#3

Prepared by the Legislative Council staff
for Representative Nelson
April 4, 2017

SENATE BILL NO. 2004
LISTING OF PROPOSED CHANGES TO ENGROSSED VERSION

Department - State Department of Health

Proposed funding changes:	**FTE**	**General Fund**	**Special Funds**	**Total**
Description				
1 Adds funding from the tobacco prevention and control trust fund for domestic violence offender treatment grants.			$300,000	$300,000
				0
Total proposed funding changes	0.00	$0	$300,000	$300,000

Other proposed changes:

1 None

SB 2004 Conference
4-13-17
#1

State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes												
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611				$0
Health insurance increase		588,283	549,367	1,137,650		533,682	482,759	1,016,441		(54,601)	(66,608)	(121,209)
Removes 1 FTE position from the Environmental Health Division	(1.00)	(111,233)	(27,808)	(139,041)	(1.00)	(111,233)	(27,808)	(139,041)				0
Remove 8 FTE positions agencywide and related funding				0	(8.00)	(634,315)	(433,077)	(1,067,392)	(8.00)	(634,315)	(433,077)	(1,067,392)
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391				0
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)				0
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)				0
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			(100,000)	(100,000)			(100,000)	(100,000)				0
Reduces operating expenses agencywide				0		(170,000)	(680,000)	(850,000)		(170,000)	(680,000)	(850,000)
Adds funding from federal funds for an ebola grant				0			1,043,098	1,043,098			1,043,098	1,043,098
Adds funding from special funds for a settlement agreement with Volkswagen				0			2,500,000	2,500,000			2,500,000	2,500,000
Adds funding from the tobacco prevention and control trust fund for domestic violence offender treatment grants				0			300,000	300,000			300,000	300,000
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)				0
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)				0
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412				0
Adjusts funding source for grants to local public health units		(1,000,000)	2,000,000	1,000,000		(1,000,000)	2,000,000	1,000,000				0
Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333				0

Adds funding from the tobacco prevention and control trust fund for cessation products				0			500,000	500,000			500,000	500,000
Adds funding from the tobacco prevention and control trust fund for tobacco prevention and control grants to local public health units				0			1,000,000	1,000,000			1,000,000	1,000,000
Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0				0
Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0				0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0				0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0				0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0				0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)				0
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)				0
Adds funding and FTE positions for Medical Marijuana Division	13.00	1,662,214	3,327,605	4,989,819	6.00	715,449	722,879	1,438,328	(7.00)	(946,765)	(2,604,726)	(3,551,491)
Total ongoing funding changes	12.00	($3,446,680)	$10,980,227	$7,533,547	(3.00)	($5,252,361)	$12,538,914	$7,286,553	(15.00)	($1,805,681)	$1,558,687	($246,994)
One-time funding items												
Adds women, infants, and children program project			$1,739,220	$1,739,220			1,739,220	1,739,220				0
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			95,066	95,066			(1,102,837)	(1,102,837)
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$1,834,286	$1,834,286	0.00	$0	($1,102,837)	($1,102,837)
Total Changes to Base Level Funding	12.00	($3,446,680)	$13,917,350	$10,470,670	(3.00)	($5,252,361)	$14,373,200	$9,120,839	(15.00)	($1,805,681)	$455,850	($1,349,831)
2017-19 Total Funding	377.00	$45,088,888	$155,888,204	$200,977,092	362.00	$43,283,207	$156,344,054	$199,627,261	(15.00)	($1,805,681)	$455,850	($1,349,831)

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version
Health insurance increase		A section is added to identify the appropriation provided to fund increases in employee health insurance premiums from $1,130 to $1,241 per month.
Environment and rangeland protection fund	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	The House did not change this section.
Insurance tax distribution fund	Adds a section to provide $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.	The House did not change this section.

pg 2

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version
Strategic investment and improvements fund	Adds a section to provide $500,000 from the strategic investment and improvements fund, instead of the general fund, to the State Department of Health for legal fees related to the Environmental Protection Agency lawsuit.	The House did not change this section.
Student loan trust fund	Adds a section to provide $360,000 from the student loan trust fund to the State Department of Health for dental loan repayment program grants.	The House did not change this section.
Tobacco prevention and control trust fund	Adds a section to provide $11,098,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.	Amends this section to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
Legislative Intent - Medical marijuana Chapter 19-24.1 subject to Section 8 of Article III of the Constitution of North Dakota		Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.
Dentists loan repayment program		Adds sections to amend NDCC 43-28.1-01 and 43-28.1-03 related to dentists loan repayment program and criteria to be used in selecting qualified dentists.
Tobacco settlement trust fund	Adds a section to amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.	The House did not change this section.
Community health grant program	Adds a section to repeal Chapter 23-38 related to the community health grant program.	The House did not change this section.
Comprehensive Tobacco Control Advisory Committee records transferred to the Department of Health		Adds a section to provide, as of July 1, 2017, all business related records belonging to the Comprehensive Tobacco Control Advisory Committee be transferred to the State Department of Health. The State Department of Health shall have access to the business related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017 for the purposes of transitioning the operations to the State Department of Health.

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version	
Statewide tobacco prevention and control plan - Implementation - Evaluation - Report to Legislative Management		Adds a section to provide that by July 31, 2017, the State Department of Health must develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.	
Emergency	Adds a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Amends this section to provide the appropriation contained in the medical marijuana line item and the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the Department of Health are declared to be emergency measures.	

SB 2004 Conf
4-13-17

17.0512.02009
Title.03000
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations Committee
April 6, 2017

#2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to provide a statement of legislative intent; to provide for a report to the legislative management;"

Page 1, line 14, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$443,903	$63,249,821
Operating expenses	40,598,335	(2,959,050)	37,639,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,120,839	$199,627,261
Less estimated income	141,970,854	14,373,200	156,344,054
Total general fund	$48,535,568	($5,252,361)	$43,283,207
Full-time equivalent positions	365.00	(3.00)	362.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,002,131, of which $529,839 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA. It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 10. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 11. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

   a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

   b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 14. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 15. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 14"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$62,805,918	$64,416,107	($1,166,286)	$63,249,821
Operating expenses	40,598,335	38,394,458	(755,173)	37,639,285
Capital assets	2,895,232	3,446,740		3,446,740
Grants	57,096,760	56,135,670	3,748,271	59,883,941
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704
WIC food payments	20,200,000	20,200,000		20,200,000
Medical marijuana		6,236,376	(4,675,606)	1,560,770
Total all funds	$190,506,422	$200,977,092	($1,349,831)	$199,627,261
Less estimated income	141,970,854	155,888,204	455,850	156,344,054
General fund	$48,535,568	$45,088,888	($1,805,681)	$43,283,207
FTE	365.00	377.00	(15.00)	362.00

Department No. 301 - State Department of Health - Detail of House Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 8 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagon Corporation Settlement Proceeds[6]
Salaries and wages	($98,894)	($1,067,392)				

Operating expenses			(850,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($121,209)	($1,067,392)	($850,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(66,608)	(433,077)	(680,000)	(3,707,563)	1,043,098	2,500,000
General fund	($54,601)	($634,315)	($170,000)	($946,765)	$0	$0
FTE	0.00	(8.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation Products[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total House Changes
Salaries and wages				($1,166,286)
Operating expenses				(755,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($1,349,831)
Less estimated income	300,000	500,000	1,000,000	455,850
General fund	$0	$0	$0	($1,805,681)
FTE	0.00	0.00	0.00	(15.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month.

[2] Eight FTE positions are removed, including related funding for salaries and wages.

[3] Funding for operating expenses is reduced agencywide.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
- Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee shall be transferred to the State Department of Health. The State Department of Health to have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.
- Adds sections to amend North Dakota Century Code Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure.

SB 2004 conference
4-17-17
#1

17.0512.02009
Title.03000
Fiscal No. 3

Prepared by the Legislative Council staff for
House Appropriations Committee
April 6, 2017

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to provide a statement of legislative intent; to provide for a report to the legislative management;"

Page 1, line 14, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$443,903	$63,249,821
Operating expenses	40,598,335	(2,959,050)	37,639,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,120,839	$199,627,261
Less estimated income	141,970,854	14,373,200	156,344,054
Total general fund	$48,535,568	($5,252,361)	$43,283,207
Full-time equivalent positions	365.00	(3.00)	362.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,002,131, of which $529,839 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA. It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 10. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 11. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

   a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

   b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"SECTION 14. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER. As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 15. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 14"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$62,805,918	$64,416,107	($1,166,286)	$63,249,821
Operating expenses	40,598,335	38,394,458	(755,173)	37,639,285
Capital assets	2,895,232	3,446,740		3,446,740
Grants	57,096,760	56,135,670	3,748,271	59,883,941
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704
WIC food payments	20,200,000	20,200,000		20,200,000
Medical marijuana		6,236,376	(4,675,606)	1,560,770
Total all funds	$190,506,422	$200,977,092	($1,349,831)	$199,627,261
Less estimated income	141,970,854	155,888,204	455,850	156,344,054
General fund	$48,535,568	$45,088,888	($1,805,681)	$43,283,207
FTE	365.00	377.00	(15.00)	362.00

Department No. 301 - State Department of Health - Detail of House Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 8 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagon Corporation Settlement Proceeds[6]
Salaries and wages	($98,894)	($1,067,392)				

Operating expenses			(850,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($121,209)	($1,067,392)	($850,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(66,608)	(433,077)	(680,000)	(3,707,563)	1,043,098	2,500,000
General fund	($54,601)	($634,315)	($170,000)	($946,765)	$0	$0
FTE	0.00	(8.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation Products[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total House Changes
Salaries and wages				($1,166,286)
Operating expenses				(755,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($1,349,831)
Less estimated income	300,000	500,000	1,000,000	455,850
General fund	$0	$0	$0	($1,805,681)
FTE	0.00	0.00	0.00	(15.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month.

[2] Eight FTE positions are removed, including related funding for salaries and wages.

[3] Funding for operating expenses is reduced agencywide.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.
- Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee shall be transferred to the State Department of Health. The State Department of Health to have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.
- Adds sections to amend North Dakota Century Code Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure.

SB 2004 conf.

17.0512.02010
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for 4-18-17
Senator Kilzer

April 18, 2017

#1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

That the House recede from its amendments as printed on pages 1352-1356 of the Senate Journal and pages 1538-1542 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to authorize transfers; to provide a statement of legislative intent; to provide for a report to the legislative management;"

Page 1, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$716,060	$63,521,978
Operating expenses	40,598,335	(2,609,050)	37,989,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,742,996	$200,249,418
Less estimated income	141,970,854	14,769,104	156,739,958
Total general fund	$48,535,568	($5,026,108)	$43,509,460
Full-time equivalent positions	365.00	(1.00)	364.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,007,440, of which $525,796 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 2, after line 18, insert:

"**SECTION 4. LINE ITEM TRANSFER AUTHORIZATION.** The state department of health may transfer appropriation authority among the line items in section 1 of this Act for the biennium beginning July 1, 2017, and ending June 30, 2019. The state department of health shall notify the office of management and budget and the legislative council of any transfers made pursuant to this section."

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 10. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 11. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 12. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan

payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 15. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 16. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO THE LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 15"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$62,805,918	$64,416,107	($894,129)	$63,521,978	$63,249,821	$272,157
Operating expenses	40,598,335	38,394,458	(405,173)	37,989,285	37,639,285	350,000
Capital assets	2,895,232	3,446,740		3,446,740	3,446,740	
Grants	57,096,760	56,135,670	3,748,271	59,883,941	59,883,941	
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704	13,646,704	
WIC food payments	20,200,000	20,200,000		20,200,000	20,200,000	
Medical marijuana		6,236,376	(4,675,606)	1,560,770	1,560,770	
Total all funds	$190,506,422	$200,977,092	($727,674)	$200,249,418	$199,627,261	$622,157

Less estimated income	141,970,854	155,888,204	851,754	156,739,958	156,344,054	395,904
	$48,535,568	$45,088,888	($1,579,428)	$43,509,460	$43,283,207	$226,253
General fund						
	365.00	377.00	(13.00)	364.00	362.00	2.00
FTE						

Department No. 301 - State Department of Health - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 6 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagen Corporation Settlement Proceeds[6]
Salaries and wages	($93,585)	($800,544)				
Operating expenses			(500,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($115,900)	($800,544)	($500,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(58,973)	(324,808)	(400,000)	(3,707,563)	1,043,098	2,500,000
General fund	($56,927)	($475,736)	($100,000)	($946,765)	$0	$0
FTE	0.00	(6.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total Conference Committee Changes
Salaries and wages				($894,129)
Operating expenses				(405,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($727,674)
Less estimated income	300,000	500,000	1,000,000	851,754
General fund	$0	$0	$0	($1,579,428)
FTE	0.00	0.00	0.00	(13.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the House version.

[2] Six FTE positions are removed, including related funding for salaries and wages. The House removed 8 FTE positions and related funding.

[3] Funding for operating expenses is reduced agencywide. The House reduced funding for operating expenses agencywide by $850,000.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House and the Senate, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund. This level of funding is the same as the House version.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department, the same as the House version.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions, the same as the House version. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants, the same as the House version.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation. The House provided the same level of fund for cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units, the same as the House version.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases, the same as the House version.
- Adds a section to provide the State Department of Health may transfer appropriation authority between line items contained in the agency's budget. This provision was not included in the House or Senate version.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs, the same as the House version.
- Adds a section of legislative intent that North Dakota Century Code Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023, the same as the House version.
- Adds sections to amend Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists, the same as the House version.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee to be transferred to the State Department of Health. The State Department of Health must have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health, the same as the House version.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management. This provision was included in the House version, but not the Senate.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure, the same as the House version.

SB 2004 Conference
4-18-17
#2

State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Senate Version				House Version				Conference Committee Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422
2017-19 Ongoing Funding Changes												
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611
Health insurance increase		588,283	549,367	1,137,650		533,682	482,759	1,016,441		531,356	490,394	1,021,750
Removes 1 FTE position from the Environmental Health Division	(1.00)	(111,233)	(27,808)	(139,041)	(1.00)	(111,233)	(27,808)	(139,041)	(1.00)	(111,233)	(27,808)	(139,041)
Remove 8 FTE positions agencywide and related funding				0	(8.00)	(634,315)	(433,077)	(1,067,392)	(6.00)	(475,736)	(324,808)	(800,544)
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391		3,012,391		3,012,391
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			(100,000)	(100,000)			(100,000)	(100,000)			(100,000)	(100,000)
Reduces operating expenses agencywide				0		(170,000)	(680,000)	(850,000)		(100,000)	(400,000)	(500,000)
Adds funding from federal funds for an ebola grant				0			1,043,098	1,043,098			1,043,098	1,043,098
Adds funding from special funds for a settlement agreement with Volkswagen				0			2,500,000	2,500,000			2,500,000	2,500,000
Adds funding from the tobacco prevention and control trust fund for domestic violence offender treatment grants				0			300,000	300,000			300,000	300,000
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412		(10,000)	841,412	831,412
Adjusts funding source for grants to local public health units		(1,000,000)	2,000,000	1,000,000		(1,000,000)	2,000,000	1,000,000		(1,000,000)	2,000,000	1,000,000
Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333
Adds funding from the tobacco prevention and control trust fund for cessation				0			500,000	500,000			500,000	500,000

Adds funding from the tobacco prevention and control trust fund for tobacco prevention and control grants to local public health units				0			1,000,000	1,000,000			1,000,000	1,000,000
Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0		(744,804)	744,804	0
Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0		(756,418)	756,418	0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0		(480,000)	480,000	0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0		(243,640)	243,640	0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0		(500,000)	500,000	0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)		(467,820)		(467,820)
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)		(94,000)		(94,000)
Adds funding and FTE positions for Medical Marijuana Division	13.00	1,662,214	3,327,605	4,989,819	6.00	715,449	722,879	1,438,328	6.00	715,449	722,879	1,438,328
Total ongoing funding changes	12.00	($3,446,680)	$10,980,227	$7,533,547	(3.00)	($5,252,361)	$12,538,914	$7,286,553	(1.00)	($5,026,108)	$12,934,818	$7,908,710
One-time funding items												
Adds women, infants, and children program project			$1,739,220	$1,739,220			$1,739,220	$1,739,220			$1,739,220	$1,739,220
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			95,066	95,066			95,066	95,066
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$1,834,286	$1,834,286	0.00	$0	$1,834,286	$1,834,286
Total Changes to Base Level Funding	12.00	($3,446,680)	$13,917,350	$10,470,670	(3.00)	($5,252,361)	$14,373,200	$9,120,839	(1.00)	($5,026,108)	$14,769,104	$9,742,996
2017-19 Total Funding	377.00	$45,088,888	$155,888,204	$200,977,092	362.00	$43,283,207	$156,344,054	$199,627,261	364.00	$43,509,460	$156,739,958	$200,249,418

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version	Conference Committee Version
Health insurance increase		A section is added to identify the appropriation provided to fund increases in employee health insurance premiums from $1,130 to $1,241 per month.	The Conference Committee added this section, the same as the House version.
Line item transfer authority			The Conference Committee added a section to provide the State Department of Health may transfer appropriation authority between line items contained in the agency's budget. This provision was not included in the House or Senate version.
Environment and rangeland protection fund	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	The House did not change this section.	The Conference Committee did not change this section.
Insurance tax distribution fund	Adds a section to provide $1.25 million from the insurance tax distribution fund to the State Department of Health for rural emergency medical services grants during the 2017-19 biennium.	The House did not change this section.	The Conference Committee did not change this section.

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version	Conference Committee Version
Strategic investment and improvements fund	Adds a section to provide $500,000 from the strategic investment and improvements fund, instead of the general fund, to the State Department of Health for legal fees related to the Environmental Protection Agency lawsuit.	The House did not change this section.	The Conference Committee did not change this section.
Student loan trust fund	Adds a section to provide $360,000 from the student loan trust fund to the State Department of Health for dental loan repayment program grants.	The House did not change this section.	The Conference Committee did not change this section.
Tobacco prevention and control trust fund	Adds a section to provide $11,098,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.	Amends this section to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.	The Conference Committee amended this section to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs, the same as the House version.
Legislative Intent - Medical marijuana Chapter 19-24.1 subject to Section 8 of Article III of the Constitution of North Dakota		Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.	The Conference Committee added this section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023, the same as the House version.
Dentists loan repayment program		Adds sections to amend NDCC 43-28.1-01 and 43-28.1-03 related to dentists loan repayment program and criteria to be used in selecting qualified dentists.	The Conference Committee added sections to amend NDCC 43-28.1-01 and 43-28.1-03 related to dentists loan repayment program and criteria to be used in selecting qualified dentists, the same as the House version.
Tobacco settlement trust fund	Adds a section to amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.	The House did not change this section.	The Conference Committee did not change this section.
Community health grant program	Adds a section to repeal Chapter 23-38 related to the community health grant program.	The House did not change this section.	The Conference Committee did not change this section.
Comprehensive Tobacco Control Advisory Committee records transferred to the Department of Health		Adds a section to provide, as of July 1, 2017, all business related records belonging to the Comprehensive Tobacco Control Advisory Committee be transferred to the State Department of Health. The State Department of Health shall have access to the business related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017 for the purposes of transitioning the operations to the State Department of Health.	The Conference Committee added this section to provide, as of July 1, 2017, all business related records belonging to the Comprehensive Tobacco Control Advisory Committee be transferred to the State Department of Health. The State Department of Health shall have access to the business related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017 for the purposes of transitioning the operations to the State Department of Health, the same as the Health version.

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version	Conference Committee Version
Statewide tobacco prevention and control plan - Implementation - Evaluation - Report to Legislative Management		Adds a section to provide that by July 31, 2017, the State Department of Health must develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.	The Conference Committee added this section to provide that by July 31, 2017, the State Department of Health must develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management. This provision was included in the House version, but not the Senate.
Emergency	Adds a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Amends this section to provide the appropriation contained in the medical marijuana line item and the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the Department of Health are declared to be emergency measures.	The Conference Committee amended this section to provide the appropriation contained in the medical marijuana line item and the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the Department of Health are declared to be emergency measures, the same as the House version.

SB 2004 Conference
4-18-17
#3

State Department of Health - Budget No. 301
Senate Bill No. 2004
Base Level Funding Changes

	Senate Version				House Version				Conference Committee Version				Conference Committee Changes Compared to Senate Version Increase (Decrease) - Senate Version				Conference Committee Changes Compared to House Version Increase (Decrease) - House Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2017-19 Biennium Base Level	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	365.00	$48,535,568	$141,970,854	$190,506,422	0.00	$0	$0	$0	0.00	$0	$0	$0
2017-19 Ongoing Funding Changes																				
Base payroll changes		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611		$770,856	$404,755	$1,175,611				$0				$0
Health insurance increase		588,283	549,367	1,137,650		533,682	482,759	1,016,441		531,356	490,394	1,021,750		(56,927)	(58,973)	(115,900)		(2,326)	7,635	5,309
Removes 1 FTE position from the Environmental Health Division	(1.00)	(111,233)	(27,808)	(139,041)	(1.00)	(111,233)	(27,808)	(139,041)	(1.00)	(111,233)	(27,808)	(139,041)				0				0
Remove 8 FTE positions agencywide and related funding				0	(8.00)	(634,315)	(433,077)	(1,067,392)	(6.00)	(475,736)	(324,808)	(800,544)	(6.00)	(475,736)	(324,808)	(800,544)	2.00	158,579	108,269	266,848
Restores base budget reductions due to allotment		3,012,391		3,012,391		3,012,391		3,012,391		3,012,391		3,012,391				0				0
Base budget reductions	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)	(1.00)	(5,154,975)	805,115	(4,349,860)				0				0
Cost to continue existing programs		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)		100,597	(5,736,641)	(5,636,044)				0				0
Reduces funding for operating expenses from the tobacco prevention and control trust fund for colorectal screenings			(100,000)	(100,000)			(100,000)	(100,000)			(100,000)	(100,000)				0				0
Reduces operating expenses agencywide				0		(170,000)	(680,000)	(850,000)		(100,000)	(400,000)	(500,000)		(100,000)	(400,000)	(500,000)		70,000	280,000	350,000
Adds funding from federal funds for an ebola grant				0			1,043,098	1,043,098			1,043,098	1,043,098			1,043,098	1,043,098				0
Adds funding from special funds for a settlement agreement with Volkswagen				0			2,500,000	2,500,000			2,500,000	2,500,000			2,500,000	2,500,000				0
Adds funding from the tobacco prevention and control trust fund for domestic violence offender treatment grants				0			300,000	300,000			300,000	300,000			300,000	300,000				0
Adjusts funding for bond and capital payments to provide a total of $636,877, of which $455,931 is from the general fund		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)		(404)	(243,680)	(244,084)				0				0
Adjusts funding for extraordinary repairs to provide a total of $300,350, of which $62,516 is from the general fund		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)		(17,727)	(18,093)	(35,820)				0				0
Adjusts funding for equipment over $5,000 to provide a total of $2,509,513 of other funds		(10,000)	841,412	831,412		(10,000)	841,412	831,412		(10,000)	841,412	831,412				0				0
Adjusts funding source for grants to local public health units		(1,000,000)	2,000,000	1,000,000		(1,000,000)	2,000,000	1,000,000		(1,000,000)	2,000,000	1,000,000				0				0
Adds 1 FTE tobacco prevention and control position and increases funding for tobacco prevention and control	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333	1.00		6,453,333	6,453,333				0				0
Adds funding from the tobacco prevention and control trust fund for cessation				0			500,000	500,000			500,000	500,000			500,000	500,000				0
Adds funding from the tobacco prevention and control trust fund for tobacco prevention and control grants to local public health units				0			1,000,000	1,000,000			1,000,000	1,000,000			1,000,000	1,000,000				0
Adjusts funding source for cancer programs		(744,804)	744,804	0		(744,804)	744,804	0		(744,804)	744,804	0				0				0
Adjusts funding source for stroke and cardiac care programs		(756,418)	756,418	0		(756,418)	756,418	0		(756,418)	756,418	0				0				0
Adjusts funding source for physician loan repayment program		(480,000)	480,000	0		(480,000)	480,000	0		(480,000)	480,000	0				0				0
Adjusts funding source for behavioral health loan repayment program		(243,640)	243,640	0		(243,640)	243,640	0		(243,640)	243,640	0				0				0
Adjusts funding source for EPA litigation fees		(500,000)	500,000	0		(500,000)	500,000	0		(500,000)	500,000	0				0				0
Reduces funding for rural EMS grants		(467,820)		(467,820)		(467,820)		(467,820)		(467,820)		(467,820)				0				0
Reduces funding for EMS training grants		(94,000)		(94,000)		(94,000)		(94,000)		(94,000)		(94,000)				0				0
Adds funding and FTE positions for Medical Marijuana Division	13.00	1,662,214	3,327,605	4,989,819	6.00	715,449	722,879	1,438,328	6.00	715,449	722,879	1,438,328	(7.00)	(946,765)	(2,604,726)	(3,551,491)				0
Total ongoing funding changes	12.00	($3,446,680)	$10,980,227	$7,533,547	(3.00)	($5,252,361)	$12,538,914	$7,286,553	(1.00)	($5,026,108)	$12,934,818	$7,908,710	(13.00)	($1,579,428)	$1,954,591	$375,163	2.00	$226,253	$395,904	$622,157
One-time funding items																				
Adds women, infants, and children program project			$1,739,220	$1,739,220			$1,739,220	$1,739,220			$1,739,220	$1,739,220				0				0
Adds one-time funding for Medical Marijuana Division			1,197,903	1,197,903			95,066	95,066			95,066	95,066			(1,102,837)	(1,102,837)				0
Total one-time funding changes	0.00	$0	$2,937,123	$2,937,123	0.00	$0	$1,834,286	$1,834,286	0.00	$0	$1,834,286	$1,834,286	0.00	$0	($1,102,837)	($1,102,837)	0.00	$0	$0	$0
Total Changes to Base Level Funding	12.00	($3,446,680)	$13,917,350	$10,470,670	(3.00)	($5,252,361)	$14,373,200	$9,120,839	(1.00)	($5,026,108)	$14,769,104	$9,742,996	(13.00)	($1,579,428)	$851,754	($727,674)	2.00	$226,253	$395,904	$622,157
2017-19 Total Funding	377.00	$45,088,888	$155,888,204	$200,977,092	362.00	$43,283,207	$156,344,054	$199,627,261	364.00	$43,509,460	$156,739,958	$200,249,418	(13.00)	($1,579,428)	$851,754	($727,674)	2.00	$226,253	$395,904	$622,157

Other Sections in State Department of Health - Budget No. 301

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version	Conference Committee Version
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Line item transfer authority			The Conference Committee added a section to provide the State Department of Health may transfer appropriation authority between line items contained in the agency's budget. This provision was not included in the House or Senate version.
Environment and rangeland protection fund	Includes a section to authorize the department to spend $250,000 from the environment and rangeland protection fund for the ground water testing programs. Of this amount, $50,000 is for a grant to the North Dakota Stockmen's Association for the environmental services program.	The House did not change this section.	The Conference Committee did not change this section.
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Tobacco prevention and control trust fund	Adds a section to provide $11,098,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.	Amends this section to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs.	The Conference Committee amended this section to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs, the same as the House version.
Legislative Intent - Medical marijuana Chapter 19-24.1 subject to Section 8 of Article III of the Constitution of North Dakota		Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.	The Conference Committee added this section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023, the same as the House version.
Dentists loan repayment program		Adds sections to amend NDCC 43-28.1-01 and 43-28.1-03 related to dentists loan repayment program and criteria to be used in selecting qualified dentists.	The Conference Committee added sections to amend NDCC 43-28.1-01 and 43-28.1-03 related to dentists loan repayment program and criteria to be used in selecting qualified dentists, the same as the House version.
Tobacco settlement trust fund	Adds a section to amend Section 54-27-25(1) to remove the requirement that 80 percent of the transfers from the tobacco settlement trust fund to the community health trust fund must be used for tobacco prevention and control.	The House did not change this section.	The Conference Committee did not change this section.
Community health grant program	Adds a section to repeal Chapter 23-38 related to the community health grant program.	The House did not change this section.	The Conference Committee did not change this section.
Comprehensive Tobacco Control Advisory Committee records transferred to the Department of Health		Adds a section to provide, as of July 1, 2017, all business related records belonging to the Comprehensive Tobacco Control Advisory Committee be transferred to the State Department of Health. The State Department of Health shall have access to the business related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017 for the purposes of transitioning the operations to the State Department of Health.	The Conference Committee added this section to provide, as of July 1, 2017, all business related records belonging to the Comprehensive Tobacco Control Advisory Committee be transferred to the State Department of Health. The State Department of Health shall have access to the business related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017 for the purposes of transitioning the operations to the State Department of Health, the same as the Health version.

Other Sections in State Department of Health - Budget No. 301

	Senate Version	House Version	Conference Committee Version
Statewide tobacco prevention and control plan - Implementation - Evaluation - Report to Legislative Management		Adds a section to provide that by July 31, 2017, the State Department of Health must develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.	The Conference Committee added this section to provide that by July 31, 2017, the State Department of Health must develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management. This provision was included in the House version, but not the Senate.
Emergency	Adds a section to provide the appropriation contained in the medical marijuana line item is declared to be an emergency measure.	Amends this section to provide the appropriation contained in the medical marijuana line item and the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the Department of Health are declared to be emergency measures.	The Conference Committee amended this section to provide the appropriation contained in the medical marijuana line item and the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the Department of Health are declared to be emergency measures, the same as the House version.

SB 2004 conference
4-18-17

#4

Suggested SB 2004 amendment related to newborn screening cardiac system of care:
Add a footnote related to the grant funding for cardiac and stroke systems of care

*The Cardiac System of Care Task Force will recommend guidance in collaboration with newborn screening stakeholders on key elements of critical congenital heart defect detection screenings, related birthing center resources for staff and parents, address EMS data point capture and other considerations for ensuring timely, responsive newborn screenings system as required by state law.

SB 2004 conference
4-19-17

Meier, Lisa M.

#1

From: June Herman <June.Herman@heart.org>
Sent: Tuesday, April 18, 2017 5:41 PM
To: Meier, Lisa M.
Subject: RE: SB 2004

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

I was cc'd on it and as you saw, I can support it. We will be in hall early tomorrow for any further discussion.

Sent from my Verizon Wireless 4G LTE smartphone

-------- Original message --------
From: "Meier, Lisa M." <lmeier@nd.gov>
Date: 04/18/2017 5:09 PM (GMT-06:00)
To: June Herman <June.Herman@heart.org>
Subject: FW: SB 2004

Hi June,

Has Arvy visited with you about this language?

Thanks,

Lisa

From: Smith, Arvy J.
Sent: Tuesday, April 18, 2017 5:07 PM
To: Kilzer, Ralph L. <rkilzer@nd.gov>; Lee, Gary A. <galee@nd.gov>; Mathern, Tim <tmathern@nd.gov>; Kreidt, Gary L. <gkreidt@nd.gov>; Meier, Lisa M. <lmeier@nd.gov>; Holman, Richard G. <rholman@nd.gov>
Cc: June Herman <June.Herman@heart.org>
Subject: SB 2004

Below is alternative language that we would like to see regarding the cardiac system of care task force and newborn screening amendment that was passed this morning.

The Newborn Screening Program will collaborate with the Cardiac System of Care Taskforce to identify and provide critical congenital heart defect educational materials and algorithms for health care facilities, resources for parents, and explore options for data tracking.

SB 2004 Conference
4-20-17

17.0512.02011
Title.
Fiscal No. 2

Prepared by the Legislative Council staff for
Conference Committee
April 19, 2017

#1

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

That the House recede from its amendments as printed on pages 1352-1356 of the Senate Journal and pages 1538-1542 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to authorize transfers; to provide statements of legislative intent; to provide for a report to the legislative management;"

Page 1, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$62,805,918	$716,060	$63,521,978
Operating expenses	40,598,335	(2,784,050)	37,814,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	0	1,560,770	1,560,770
Total all funds	$190,506,422	$9,567,996	$200,074,418
Less estimated income	141,970,854	14,629,104	156,599,958
Total general fund	$48,535,568	($5,061,108)	$43,474,460
Full-time equivalent positions	365.00	(1.00)	364.00

SECTION 2. HEALTH INSURANCE INCREASE. The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of $1,007,440, of which $525,796 is from the general fund, for increases in employee health insurance premiums from $1,130 to $1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	0	95,066
Total all funds	$2,536,110	$1,834,286
Less estimated income	2,200,110	1,834,286
Total general fund	$336,000	$0"

Page 3, line 5, replace "$11,078,195" with "$12,878,195"

Page 3, after line 6, insert:

"**SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

SECTION 10. STATEMENT OF LEGISLATIVE INTENT - NEWBORN SCREENING - CARDIAC SYSTEM OF CARE TASK FORCE. It is the intent of the sixty-fifth legislative assembly that the state department of health's newborn screening program collaborate with the cardiac system of care task force to identify and provide critical congenital heart defect educational materials and algorithms for health care facilities and resources for parents and to explore options for data collection and analysis for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 11. AMENDMENT. Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

SECTION 12. AMENDMENT. Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

43-28.1-03. Criteria.

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:

   a. The number of dentists already providing dental services in the city or surrounding areas, or both;

   b. Access to dental services in the city and the surrounding areas;

   c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and

   d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.

2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14

kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or

b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.

3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

"**SECTION 15. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

SECTION 16. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO THE LEGISLATIVE MANAGEMENT. By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 15"

Page 4, line 5, replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Department of Health - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$62,805,918	$64,416,107	($894,129)	$63,521,978	$63,249,821	$272,157
Operating expenses	40,598,335	38,394,458	(580,173)	37,814,285	37,639,285	175,000
Capital assets	2,895,232	3,446,740		3,446,740	3,446,740	
Grants	57,096,760	56,135,670	3,748,271	59,883,941	59,883,941	
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704	13,646,704	
WIC food payments	20,200,000	20,200,000		20,200,000	20,200,000	
Medical marijuana		6,236,376	(4,675,606)	1,560,770	1,560,770	
Total all funds	$190,506,422	$200,977,092	($902,674)	$200,074,418	$199,627,261	$447,157
Less estimated income	141,970,854	155,888,204	711,754	156,599,958	156,344,054	255,904

General fund	$48,535,568	$45,088,888	($1,614,428)	$43,474,460	$43,283,207	$191,253
FTE	365.00	377.00	(13.00)	364.00	362.00	2.00

Department No. 301 - State Department of Health - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases[1]	Removes 6 FTE Positions Agencywide[2]	Reduces Funding for Operating Expenses Agencywide[3]	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding[4]	Adds Funding for Federal Ebola Grant[5]	Adds Funding for Volkswagen Corporation Settlement Proceeds[6]
Salaries and wages	($93,585)	($800,544)				
Operating expenses			(675,000)		94,827	
Capital assets						
Grants					948,271	2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	($115,900)	($800,544)	($675,000)	($4,654,328)	$1,043,098	$2,500,000
Less estimated income	(58,973)	(324,808)	(540,000)	(3,707,563)	1,043,098	2,500,000
General fund	($56,927)	($475,736)	($135,000)	($946,765)	$0	$0
FTE	0.00	(6.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants[7]	Adds Funding for Tobacco Cessation[8]	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants[9]	Total Conference Committee Changes
Salaries and wages				($894,129)
Operating expenses				(580,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	$300,000	$500,000	$1,000,000	($902,674)
Less estimated income	300,000	500,000	1,000,000	711,754
General fund	$0	$0	$0	($1,614,428)
FTE	0.00	0.00	0.00	(13.00)

[1] Funding for employee health insurance is adjusted to reflect the updated premium amount of $1,241 per month, the same as the House version.

[2] Six FTE positions are removed, including related funding for salaries and wages. The House removed 8 FTE positions and related funding.

[3] Funding for operating expenses is reduced agencywide. The House reduced funding for operating expenses agencywide by $850,000.

[4] Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House and Senate and signed by the Governor, to provide a total of 6 FTE positions and total funding of $1,560,770, of which $723,270 is from the general fund and $837,500 is from the compassionate care fund. This level of funding is the same as the House version.

[5] Funding is added for a federal Ebola grant anticipated to be received by the department, the same as the House version.

[6] Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions, the same as the House version. The State Department of Health has been designated to receive the funds by the Governor's office.

[7] Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants, the same as the House version.

[8] Funding is provided from the tobacco prevention and control trust fund for tobacco cessation. The House provided the same level of funding for cessation products.

[9] Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of $6.5 million for tobacco prevention grants to local public health units, the same as the House version.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases, the same as the House version.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide $12,878,195 from the tobacco prevention and control trust fund to the State Department of Health for tobacco prevention and related health programs, the same as the House version.
- Adds a section of legislative intent that North Dakota Century Code Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023, the same as the House version.
- Adds a section of legislative intent that the State Department of Health's newborn screening program collaborate with the cardiac system of care taskforce to provide congenital heart defect educational materials and to explore options for data collection and analysis. This section was not included in the House or Senate version.
- Adds sections to amend Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists, the same as the House version.
- Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee to be transferred to the State Department of Health. The State Department of Health must have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health, the same as the House version.
- Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management. This provision was included in the House version, but not the Senate version.
- Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure, the same as the House version.